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**U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT**

**REGIONAL MISSION FOR THE CENTRAL ASIAN REPUBLICS**  
KAZAKHSTAN, KYRGYZSTAN, TAJIKISTAN, TURKMENISTAN, & UZBEKISTAN

**OPENING DATE: Friday, November 9, 2001**  
**CLOSING DATE: Tuesday, December 11, 2001**  
**CLOSING TIME: 10:00am, Almaty Time**

**SUBJECT: Request for Proposal (RFP) No. EF176-02-003 - DRAFT VERSION**  
**ENTERPRISE TRADE & INVESTMENT PROJECT IN CENTRAL ASIA**

Dear Sir/Madam:

The United States Government, represented by the United States Agency for International Development Regional Mission to Central Asia (USAID/CAR), is publishing the subject RFP as a **DRAFT**, in order to obtain comments/input from all public and private interested parties. Your comment/input for the RFP, and may be taken into consideration for the preparation of the final RFP.

All types of eligible organizations and firms are strongly encouraged to review the document, provide comment, and consider submitting offers in response to the resulting final RFP (solicitation).

Interested parties are encouraged to submit comments and input for the above parts of Draft RFP in two forms:

1) written comments may be sent directly at e-mail [AlmatyCO@usaid.gov](mailto:AlmatyCO@usaid.gov) or to Marcus A. Johnson, Jr., Contracting Officer at email address [marcus@usaid.gov](mailto:marcus@usaid.gov) by the closing date; and

2) alternatively may ask questions at the Pre-Solicitation Conference.

USAID/CAR will conduct a Pre-Solicitation Conference on Thursday, December 6, 2000. Representatives from the USAID/CAR mission will be made available for a question & answer (Q&A) session from 2:30pm until 4pm.

USAID, 41 KAZIBEK BI STREET, 480100, ALMATY, REPUBLIC OF KAZAKHSTAN

Street Location of Pre-Solicitation Conference:

National Securities Commission  
Room 512  
67 Aiteke Bi Street  
480091, Almaty  
Republic of Kazakhstan

All comments will be taken into consideration for the preparation of the final RFP.

USAID/CAR is not requesting proposals at this time only written comments to e-mail: [AlmatyCO@usaid.gov](mailto:AlmatyCO@usaid.gov) or [marcus@usaid.gov](mailto:marcus@usaid.gov) by closing date. Any proposal that is received in response to this **DRAFT** RFP will be discarded prior to issuance of the RFP.

USAID/CAR reserves the right not to incorporate any and all comments into the final RFP, or even issue a final RFP.

Sincerely,  
Marcus A. Johnson, Jr.  
Contracting Officer

<b>SOLICITATION, OFFER AND AWARD</b>		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING <b>N/A</b>	PAGE <b>1</b>	OF <b>8</b>
2. CONTRACT NO.		3. SOLICITATION NO. <b>Draft EF176-02-03</b>		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED <b>11/09/2001</b>
7. ISSUED BY USAID/CAR Regional Mission Department of State 7030 Almaty Place Washington, DC 20521-7030		CODE		8. ADDRESS OFFER TO (If other than Item 7)		

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder"

### SOLICITATION

9. Sealed offers in original and \_\_\_\_\_ copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depot located in **US Embassy, 41, Dazybek bi, Almaty, 480100, Kazakhstan** until **10:00 am** local time **December 11, 2001** CAUTION LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME <b>Marcus A. Johnson, Jr.</b>	B. TELEPHONE NO. (NO COLLECT CALLS)			C. E-MAIL ADDRESS <b>Marcus@usaid.gov</b>
		Intl CODE <b>+7(3272)</b>	NUMBER <b>507612</b>	EXT. <b>ext. 319</b>	

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### OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within \_\_\_\_\_ calendar days (60 calendar days unless a different period is inserted by the offeror) from date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)		10 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS
		%	%	%	%
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:		AMENDMENT NO.	DATE	AMENDMENT NO.	DATE
15A. NAME AND ADDRESS OF OFFEROR		CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)	
15B. TELEPHONE NUMBER		<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.		17. SIGNATURE	18. OFFER DATE
AREA CODE	NUMBER	EXT.			

### AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED		20. AMOUNT	21. ACCOUNTING AND APPROPRIATION	
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) ( ) <input type="checkbox"/> 41 U.S.C. 253(c) ( )			23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM
24. ADMINISTERED BY (If other than Item 7)			25. PAYMENT WILL BE MADE BY	
CODE				
26. NAME OF Contracting Officer (Type or print)			27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	28. AWARD DATE

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**PART I - THE SCHEDULE****SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS****B.1 PURPOSE**

The purpose of this contract is to procure services in order to improve the trade and investment environment for small and medium-sized enterprises. The proposed Enterprise & Finance activity will be implemented under USAID/CAR's Strategic Objective 1.3, which calls for an improved SME business environment and trade & investment situation in the Central Asian Republics.

[End of Clause]

**B.2 CONTRACT TYPE**

**Cost-Plus-Fixed-Fee (CPFF) or Cost-Plus Award Fee** three-year completion contract, with two one-year option periods. For the consideration set forth below, the Contractor shall provide the deliverables or outputs described in Section F in accordance with the performance standards specified in Section E.

[End of Clause]

**B.3 ESTIMATED COST, FEE, AND OBLIGATED AMOUNT**

- (a) The estimated cost for the performance of the work required hereunder, exclusive of fee, if any, is \$TBD. The fixed or maximum award fee, if any, is \$TBD. The estimated cost plus award fee or cost plus fixed fee, if any, is \$TBD.
- (b) Within the estimated cost plus fixed fee (if any) specified in paragraph (a) above, the amount currently obligated and available for reimbursement of allowable costs incurred by the Contractor (and payment of fee, if any) for performance hereunder is \$TBD. The Contractor shall not exceed the aforesaid obligated amount.
- (c) Funds obligated hereunder are anticipated to be sufficient through TBD.

[End of Clause]

**B.4 LINE ITEMS**

CLINS-	3 Year Period	
0001	Year 1 - TOTAL	\$ _____
0001AA	Labor	\$ _____
0001AB	Other Direct Costs	\$ _____
0001AC	Material & Equipment	\$ _____
0001AD	Training	\$ _____
0001AE	Indirect Costs	\$ _____
0001AF	Fee	\$ _____
0002	Year 2 - TOTAL	\$ _____
0002AA	Labor	\$ _____
0002AB	Other Direct Costs	\$ _____
0002AC	Material & Equipment	\$ _____
0002AD	Training	\$ _____
0002AE	Indirect Costs	\$ _____
0002AF	Fee	\$ _____
Total Contract Price CLINS 1-2		\$ _____



0003	Year 3 - TOTAL	\$ _____
0003AA	Labor	\$ _____
0003AB	Other Direct Costs	\$ _____
0003AC	Material & Equipment	\$ _____
0003AD	Training	\$ _____
0003AE	Indirect Costs	\$ _____
0003AF	Fee	\$ _____
CLINS-	1 Year Option Period	
0004	Year 4 - TOTAL	\$ _____
0004AA	Labor	\$ _____
0004AB	Other Direct Costs	\$ _____
0004AC	Material & Equipment	\$ _____
0004AD	Training	\$ _____
0004AE	Indirect Costs	\$ _____
0004AF	Fee	\$ _____
CLINS-	1 Year Option Period	
0005	Year 5 - TOTAL	\$ _____
0005AA	Labor	\$ _____
0005AB	Other Direct Costs	\$ _____
0005AC	Material & Equipment	\$ _____
0005AD	Training	\$ _____
0005AE	Indirect Costs	\$ _____
0005AF	Fee	\$ _____
Total Contract Price CLINS 3-5		\$ _____

**B.5 INDIRECT COSTS (DEC 1997)**

Pending establishment of revised provisional or final indirect cost rates, allowable indirect costs shall be reimbursed on the basis of the following negotiated provisional or predetermined rates and the appropriate bases:

Description	Rate	Base	Type	Period
-------------	------	------	------	--------

[To be determined]

[End of Clause]

**B.6 CEILING ON INDIRECT COST RATES (DEC 1997)**

(1) Reimbursement for indirect costs shall be at the lower of the negotiated final (or predetermined) rates or the following ceiling rates:

Description	Rate	Base	Period
-------------	------	------	--------

[To be determined]

(2) The Government will not be obligated to pay any additional amount should the final indirect cost rates exceed the negotiated ceiling rates. If the final indirect cost rates are less than the negotiated ceiling rates, the negotiated rates will be reduced to conform with the lower rates.

(3) This understanding shall not change any monetary ceiling, obligation, or specific cost allowance or disallowance. Any changes in classifying or allocating indirect costs require the prior written approval of the Contracting Officer.

[End of Clause]

#### **B.7 COST REIMBURSABLE**

The U.S. dollar costs allowable shall be limited to reasonable, allocable and necessary costs determined in accordance with FAR 52.216-7, Allowable Cost and Payment and AIDAR 752.7003, Documentation for Payment.

[End of Clause]

[END OF SECTION B]

## SECTION C – STATEMENT OF WORK

### C.1 SUMMARY

Statement of Work  
*Enterprise, Trade and Investment Project (E-TIP)*

#### I. Summary

As articulated in its strategy, USAID/CAR's goal is to expand opportunities for the citizens of the new nations of Central Asia to participate in improving the governance, their livelihoods, and their quality of life. In order to accomplish these goals, this proposed project, the Enterprise, Trade and Investment Project (E-TIP), will be implemented under Strategic Objective 1.3 (SO 1.3). This strategic objective of the Enterprise & Finance Office calls for "an improved environment for the growth of small and medium enterprises (SMEs). Intermediate results to be achieved under this project fall under "increased opportunities to acquire business information, knowledge and skills," and "increased implementation of laws and regulations."

The justification for focusing on SMEs is compelling. Throughout the world, SMEs are a major factor in economic growth and key to employment generation. Employment trends in the emerging economies of Eastern Europe serve as an excellent example of the importance of the SME sector for job creation. SMEs account for 37 percent of overall employment in the Czech Republic, 24 percent in Hungary, and 23 percent in Poland. With such vibrant SME sectors, these countries have enjoyed healthy economic growth over the past decade. In contrast, the contribution of SMEs to economic growth and job creation is disappointingly low in Central Asia.<sup>1</sup> Thus, the growth of the SME sector in Central Asia represents great potential for new job creation and economic growth. Extensive analysis of SME development and constraints to growth in Central Asia has concluded that the environment for doing business in Central Asia must be improved for the SME sector to grow.

The development of the small and medium business sector (defined as businesses with less than 500 full-time employees) is a key component in the transition to a free market economy. In addition to generating economic benefits, SMEs are vital to the growth and sustainability of democratic reforms. The countries of Central Asia still face the challenge of building an economic middle class that will demand openness in political processes. Political freedom can only be sustained as long as common citizens have viable opportunities for employment and investment and the right to own and operate businesses.

The Enterprise, Trade and Investment Project will consist of three components: The **Enterprise Development Services** component will promote SMEs through interventions in the following technical areas: 1) accounting reform; 2) business training; 3) business advisory services; 4) business & professional association development; 5) quality management; and 6) regional trade networks. The **Legal and Regulatory** component will promote SMEs through interventions in

<sup>1</sup> For example, the EBRD estimated that SMEs accounted for 8% of Kazakhstan's GDP in 1998.

the following technical areas: 1) the removal of investment constraints; 2) WTO support; 3) customs support; and 4) SME tax issues. The final component will address the broader issue of **Competitiveness**.

## **II. Background**

### **A. Enterprise-Level**

Due to the legacy of the Soviet Era command economy, the majority of Central Asia citizens lack basic business education and training. Therefore, the development of human resources must be a top priority for bringing the Central Asian Republics into the global market economy. USAID/CAR considers education and professional training for business people, public officials and the next generation of entrepreneurs as an important step in making the transition to a market economy.

The central organizing principle of this activity is responsiveness to the needs of its customers, *i.e.*, owners of small and medium enterprises. This responsiveness can only be achieved if the business education, advisory services, and support to business associations and advocacy groups are demand-driven. Dialogue with public and private sector institutional "customers" must be built into every aspect of the activity.

Entrepreneurs need access to basic business education courses in management, marketing, finance, accounting and other areas of business. Government officials responsible for the passage and implementation of economic reforms also need basic business education. Owners and operators of small businesses need assistance in identifying market niches and developing strategies and business plans to reach targeted markets. Chief accountants, auditors and financial officers need to understand and implement international accounting standards, practices, principles and ethics.

### **B. Legal & Regulatory**

The five republics of Central Asia have much to gain by increased access to domestic and foreign investment. The current business environment, however, discourages investment and severely limits the development of SMEs. In all five nations, investors are saddled with out-of-date technical demands, harried by rent-seeking officials and faced with a multitude of nontransparent and duplicative regulatory requirements.

The absence of impartial, rule-based procedures and reliable protection under the law, including dispute resolution systems that enjoy public confidence, makes legitimate investors, especially SMEs, unable to accurately assess business risks and keeps them constantly on the defensive against overzealous officials. Furthermore, the lack of written, uniform and transparent rules and procedures encourages systemic predatory bureaucratic behavior against legitimate investors.<sup>2</sup>

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<sup>2</sup> The Services Group "The Investor Roadmap for South Kazakhstan Oblast," March 2000.

As a result, foreign investment, as well as domestic investment (except the natural resource sector in Kazakhstan) has failed to materialize at anticipated levels. These disappointments can be attributed to the failure at the local and national levels to adopt, implement and enforce policy reforms. While national policy makers and legislators are making significant strides towards improving the legal landscape for investors, the implementation of laws and policies at the local level ranges from inconsistent application to more blatant disregard. In particular, investors face extreme uncertainty in the implementation of laws and regulations relating to business licensing, site approvals, expatriate work permits, and customs controls.<sup>3</sup> Such uncertainty deters investment in new SMEs and results in increased operating costs for existing SMEs.

### **III. Results to Date**

#### Business Training:

Under previous projects, USAID/CAR learned a great deal about delivering business education from its successful enterprise accounting reform activities in Central Asia. For example, in Kazakhstan USAID/CAR delivered short-term, conversion-specific, accounting training to over 6,000 chief accountants in the process of helping over 1,370 enterprises convert their financial systems from the old accounting standards to the new IAS-based standards. In Kyrgyzstan, more than 3,100 participants completed an intensive financial accounting training course.

To date, there have been significant achievements attained under the SME Development project:

- USAID/CAR has continued to support the four-module professional audit certification program established in Kazakhstan and administered by the Qualifying Commission. USAID has also conducted pilot exams of some of the four modules in Kyrgyzstan, Uzbekistan and Tajikistan.
- Over 400 business advisory service assessments have been completed to date in Kyrgyzstan, while 51 assessments have been completed in Uzbekistan. Business advisors meet monthly to evaluate portfolios and volunteer assignments, as well as to modify company assistance accordingly.
- The development of business associations by USAID/CAR continues apace. Organizations in Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan have been screened and selected.

#### Trade & Investment:

USAID/CAR has provided WTO assistance to the governments of Kazakhstan and Kyrgyzstan since late 1995. The goal of this assistance has been the adoption of key legal and regulatory reforms necessary to support the development of a market-friendly environment for trade and investment, and the attainment of full membership in the WTO. Kyrgyzstan joined the WTO in 1998, while Kazakhstan continues to make progress to this end.

The USAID/CAR Trade & Investment Project worked closely with both governments in identifying and preparing legal, regulatory, administrative, and procedural changes in order to ensure compliance with WTO principles and agreements. These included: amendments to the

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<sup>3</sup> Ibid.

Customs Code and intellectual property-related legislation; enactment of anti-dumping and procurement legislation; establishment of inquiry points; and changes in the fee structures for all trade-related transactions.

In addition to providing assistance regarding WTO accession, the Trade & Investment project helped both governments liberalize their respective trade policies. In Kazakhstan, this is evidenced by an increase in products exempt from import duties and export tariffs, a reduction in the trade-weighted average import tariff rate and the elimination of double registration for exports. In 2000, the Kyrgyz government eliminated export duties and abandoned export registration the previous year. Both countries have largely eliminated quantitative restrictions and most non-tariff barriers to trade.

In Kazakhstan, key WTO-related assistance has included:

- Training of government officials about the WTO, the accession process and the consequences of WTO membership.
- Assistance in implementing measures to improve the legal regime and make it compliant with WTO requirements, including TRIPS (Agreement on Trade-Related Aspects of Intellectual Property Rights).
- Assistance in implementing the laws on anti-dumping, safeguards, and on subsidies and countervailing measures.
- Assistance to the government in revising its Offers on Goods and Services in Spring 2001.

In Kyrgyzstan, key WTO-related assistance has included:

- Training of officials on WTO notification requirements, WTO dispute settlement system, and the benefits of the WTO system for businesses.
- Assistance and development of a new law on government procurement and implementing regulations.
- Establishment of an inter-ministerial body to coordinate and implement review of legislation and other government actions in light of the Kyrgyz Republic's WTO-related obligations.
- Organization and distribution of WTO documents forwarded from Geneva for the Ministry of Trade and Industry.

#### Customs Support:

A large part of recent technical assistance in the area of customs has focused on issues of trade facilitation, revenue collection, and border protection. The Trade & Investment project performed a detailed analysis of the Customs Code and related legislation in both countries, and assisted the Customs Committees of both countries, in close association with the local business communities. The project also worked to bring local customs regulations into compliance with international standards established by the Revised Kyoto Convention (RKC).

Until recently, USAID was the only international donor organization providing full-time, in-country customs advisors to these countries. Limited, short-term technical assistance in customs

reform is provided by the U.S. Customs Service, the World Bank, the International Monetary Fund, and EU/TACIS.

The following outlines key accomplishments in Kazakhstan and Kyrgyzstan in the area of customs support:

#### Kazakhstan:

- Passage of a revised Customs Code that is largely WTO-compliant.
- Establishment of a formal consultative body from the trade community that meets with State Customs to review proposed changes in customs regulations, laws, and procedures.
- A series of public information seminars to assist in the growth and development of the private sector was held. The topics for these seminars included customs valuation principles, merchandise classification, origin rules, appeals and importer rights.
- Initiation of a review for conformity to the international customs standards established the Revised Kyoto Convention.

#### Kyrgyzstan:

- Customs policies, regulations and Customs Code have been reviewed for compliance with the Revised Kyoto Convention.
- Initiation of cross-functional training of State Customs and State Tax Inspectorates to permit them to conduct combined audits to reduce revenue leakage and, at the same time, reduce administrative burden. The purpose of this training was to improve cooperation and coordination between the two agencies.
- Assistance to State Customs in joining the World Customs Organization.
- Promotion of an automated system for State Customs processing using the UNCTAD ASYCUDA System.

#### Removal of Investment Constraints:

In Kazakhstan, USAID/CAR recently completed the RICK Project (Removal of Investment Constraints in Kazakhstan). This project was based on the "investor roadmap" methodology, and was carried out in Atyrau, Mangistau, and East Kazakhstan oblasts. The practical outcome of the RICK project was the identification of administrative and procedural barriers to SME start up and growth, and the development of a series of practical recommendations for positive change in the way government regulates the private sector. Some of the more notable findings include the following:

- The minimum capitalization requirements related to company registration are expressed differently from one oblast to another. In Atyrau, for example, the minimum capitalization requirement is expressed as 25 percent of charter capital, while in Aktau the government requires a flat fee of \$524.
- As described by oblast tax officials, the process for registering a sole proprietorship is not standardized among the selected oblasts.

- The site acquisition process is more convoluted in the Mangistau Oblast than in the Atyrau Oblast, due in part to the fact that there are more actors involved in approving land sales.
- The description of how fines are levied by tax authorities and the formulas used to calculate fines vary from oblast to oblast.

#### Regulatory Reform:

In Kyrgyzstan, USAID/CAR has sought to improve policymaking, reduce the regulatory burden on SMEs, and increase the transparency of the regulatory process through its Regulatory Reform Project. This project has focused on the following principal elements affecting the business climate and investment regime: business registration; licensing; inspections; and standards and certifications. In addition, surveys have been conducted to determine some of the key regulatory problems that impede development of businesses. USAID assistance in Kyrgyzstan has also included the development of a framework of commercial legislation designed to support private business; training government personnel in establishing and enforcing policies; assistance in implementing regulations; and efforts aimed at reducing regulatory burdens on SMEs.

The current Regulatory Reform project in Kyrgyzstan has:

- Completed an inventory of licenses and sublicenses and all licensing-issuing agencies;
- Determined which governmental authorities currently have the right to inspect enterprises;
- Evaluated the capacity of local partner groups to understand regulatory issues and undertake meaningful reforms and identified their particular needs; and
- Identified the key regulatory issues and the current status of reforms, and how the project should best focus its efforts in the short term.

#### SME Tax Issues:

Finally, in the area of tax policy, USAID/CAR has supported key reforms in areas that have a direct impact on SMEs. Recently the governments of Kazakhstan and Kyrgyzstan revised their respective tax codes to make them more consistent with international standards. Both countries have also improved the administration of tax collection by reorganizing their tax inspectorates. These movements forward have increased collections for both countries since 1998. Compliance in Kazakhstan increased to such an extent that in 2001 the government lowered the value-added tax (VAT) rate from 20% to 16% and the social tax rate from 26% to 21%. To date, the lowered rates have not resulted in any appreciable loss in revenue. Recent USAID/CAR work at the national level in tax administration has focused on developing systems and processes that will improve the interaction between the taxpayer and the tax inspectorate. USAID/CAR helped the Government of Kazakhstan to develop a new code of conduct for inspectors, and to develop a new appeals system. Kyrgyzstan, meanwhile, has developed a database that makes available to the public and officials, administrative rulings on tax issues. This improves the fairness of decisions because the increased transparency makes it more difficult for tax officials to obtain bribes in exchange for rulings that are inconsistent with the law or obtain bribes from the taxpayer because the taxpayer has little information about the likely outcome of his/her particular case.



## **V. Project Description**

### **A. Enterprise Development Services**

This activity consists of six key components: 1) Business Training, 2) Accounting Reform, 3) Business Advisory Services, 4) Business and Professional Associations development, 5) Regional Trade Promotion, and 6) Quality Management Program.

#### **1. Business Training**

The objective of this activity is to provide practical business training to entrepreneurs, SME managers and selected government officials and throughout Central Asia. The contractor is required to propose its method of selecting, delivering, and overseeing quality control of business training and professional accountancy courses. It will also be responsible for quality control and security of all examinations and testing.

The contractor will be tasked with selecting business-training material for basic business practices such as finance, marketing, management, accounting, business planning, information technology and strategic planning. Wherever possible this material will be drawn from existing material that is available in the Russian Language and meets project standards. This training will consist of business courses (4-40 hours) for entrepreneurs, local government officials, and SME managers. Business training will be required to maximize the potential benefits of the EDC by expanding their course offerings to include material that address issues associated with trade, procurement, franchising, leasing, quality management and ISO certification.

The economic value of a well-developed agro-business sub-sector in the Ferghana Valley must be stressed in targeting SMEs in project activities in Kyrgyzstan, Uzbekistan, and Tajikistan. The contractor will tailor BAS activities and Business Training to meet the unique demands of agro-businesses in the Ferghana Valley.

The business courses will be open enrollment. However, customized courses may be delivered to a single enterprise if there is adequate demand for the course in more than one company and there are no less than 10 participants attending each course. This customized training will be more of an executive training effort focused on the decision makers and organized and scheduled in such a fashion as to take advantage of their availability, i.e., evenings and weekends. A key responsibility of the contractor will be to monitor, evaluate and work to continually improve the training curriculum. This will be accomplished by follow up, in-company visits with course participants, questionnaires completed at the end of each course, follow up surveys, or other means.

The contractor will establish and maintain SME and Trade Network databases for the five Central Asia Republics. The data will include such information as name, address, contact information; type of business, number of employees; date registered; financials, export/import, products, input needs and other information relevant to tracking SME growth and trade activity in the region. In

addition, the contractor will gather SME statistics in each country, including such information as the number of SMEs operating in both the formal and informal sectors, number of workers employed by SMEs, business sectors in which SMEs operate, contribution of SMEs to gross national product. This data will be used as a performance measurement tool to determine the effectiveness of this activity. Another objective is for USAID to provide an SME information portal for Central Asia.

In order to streamline the delivery assistance and to maximize training under a limited budget, USAID envisions the establishment of regional training, material and programs, which will utilize local training partners (LTPs).

USAID has separate agreements with the Consortium for the MBA Enterprise to provide Graduate School Volunteer (GSV) services to the contractor as members of the E-TIP team. The contractor will be expected to facilitate and coordinate the GSV's role in this activity and will be evaluated by the CTO on how extensive these GSV team members were utilized. The contractor will provide a working area, transportation, per diem, and other incidentals as would be provided to an employee.

The Peace Corps assigned business volunteers to LTPs in Central Asia to work part-time on this activity. Depending on the availability of Peace Corps volunteers, the contractor will cover the cost of transportation, accommodation and per diem associated with PCV project activities and visits to the contractor's offices or the training facilities.

## 2. Accounting Reform

### Adoption of International Accounting Standards (IAS) and International Standards of Audit (ISA):

USAID has supported the establishment of the legal/regulatory basis for adoption of IAS and ISA in both form and content in Kazakhstan, Kyrgyzstan and Uzbekistan. The contractor will continue to support the establishment and development of the IAS and ISA legal/regulatory basis in these countries as well as in Tajikistan and Turkmenistan as far as the situation in these countries permits. The contractor will provide training on IAS and ISA to appropriate government officials. It will also offer technical assistance and guidance pertaining to accounting and audit laws, decrees and regulations and assistance to regulatory bodies, such as securities market regulatory bodies, involved in accounting in each country.

### **Education/Examination/Certification of Professional Accountants:**

USAID has supported the development of a regionally harmonized and standardized system of core accounting courses, rigorous examination and certification for professional accountants. This program is based on international models, including the framework created by United Nations Conference on Trade and Development/ International Standards of Accounting and Reporting (UNCTAD/ISAR), based on the established curricula of the Canadian Certified General Accountants (CGA) and the British Association of Certified Chartered Accountants (ACCA). USAID is working closely with international accounting organizations, such as CGA, ACCA, the International Federation of Accountants (IFAC) and the International Accounting Standards Board (IASB) to create a regional, Russian Language, model certification program. The contractor will

continue to develop and deliver courses, exams and the administrative infrastructure for these exams, in order to establish an examination and certification program for accountants that fully complies with the International Education Guidance 9 (IEG-9) and Study 2 issued by IFAC.

#### Accounting Curriculum Development and Training of Teachers:

It is essential that the accounting curricula of Higher Education Institutions (HEIs) be reformed to provide the comprehensive accounting education required by professional accountants and auditors to reach world standards. USAID has supported the development of a regional model accounting curriculum based on CGA and UNCTAD/ISAR. The contractor will work with Ministries of Education in cooperating countries to adopt the model curriculum and will assist HEIs in implementation of the curriculum.

#### Association Development:

USAID has had success in developing accounting/auditing associations that serve as a means of professional development and a lobbying voice to protect and promote the interests of progressive accountants/auditors. Through August 2002, USAID will continue to support progressive accounting associations in Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan, which have or will adopt International Federation of Accountants (IFAC) compliant charters. The objective of this support is to assist the associations to become qualified for full IFAC membership and to strengthen their position under the regional umbrella of the Central Asian Council of Accountants and Auditors (TSASBA, per its Russian acronym).

USAID has supported the establishment and development of a Central Asian regional federation of accounting and audit associations, TSASBA. The contractor will assist TSASBA to become a legally registered federation and will support its work to develop regionally harmonized technical and professional standards, practices, principles and ethics.

The contractor will include accounting and audit professional associations in the business and professional support activities described below in 4, **“Business and Professional Associations”**. In addition, contractor support for association accounting and audit association development includes, but is not limited to, logistical and financial support for the meetings and conferences related to formation and development of national accounting and auditing associations and the regional TSASBA. The contractor will initiate procedures by which funds can be provided in the form of grants to developing and existing associations who demonstrate a willingness to meet project objectives in the area of Association Development.

### 3. Business Advisory Services

Under a previous contracts, USAID has provided business advisory services. Under this project, the contractor will continue and expand. The contractor will offer Business Advisory Services (BASs) in Bishkek and Osh, Kyrgyzstan; Almaty, Atyrau, Uralsk, Pavlodar and Ust Kamonogorsk, Kazakhstan and; Fergana City, and Tashkent Uzbekistan. Subject to availability of funding, additional BAS's will be provided in other locations throughout Central Asia. The BAS will provide information, workshops and consulting services to companies, which are at least 75% privately owned, at least 67% Central Asian ownership, and having up to 500 employees. (BAS

may be offered to larger companies subject to CTO approval.) The BASs' approach will be to view SMEs as clients and not as beneficiaries.

The contractor will identify the needs of the target companies and develop a strategy to address these needs. It will assist companies in improving operating efficiency and in expanding their ability to access and identify markets. The BAS will first research the current needs of SMEs through interviews with entrepreneurs and SME managers, and through other donors' relevant studies, work and reports. It is expected that one method to obtain information and to raise interest in its advisory services will be to hold a series of sector-oriented workshops on business improvements that can result from better management.

Whenever possible, the BAS will be staffed with a combination of recent graduates of top U.S. Business Schools recruited through GSV programs and experienced local professional consultants. For technical advice the BAS will use these local professionals, GSVs and experienced volunteer business advisors (EVAs). No less than 100 EVA assignments are envisioned in the first two years. The EVAs could be recruited through International Executive Service Corp (IESC), Citizens for Development Corp (CDC), ACIDI/VOCA, and/or other EVA programs. The volunteers will be teamed with experienced local employees. The BAS teams will provide technical assistance and advice and make recommendations for services available through the BAS, other donor programs, local consulting services, and other USAID programs. The BASs' priority is to serve the client companies.

The BAS will team with local consulting companies to build their professional capacity and will utilize their services as appropriate. When practical, the EVAs will team with a representative of local consultant companies when providing technical assistance or advice to SMEs. The BAS also will serve as a business catalyst by identifying potential business opportunities and working to facilitate SME business transactions. This could include identifying products, potential technology transfers, and new marketing opportunities; assisting SMEs in accessing investment and operating capital; and providing technical assistance and other support specifically required to make ventures successful. Wherever possible, members of the BAS will assist client companies in maximizing the value of the Regional Trade Promotion and the Quality Management Program.

The introduction of BAS into the Republic of Kazakhstan offers the potential of increasing franchising opportunities. In collaboration with the Regional Coordinator for Business Training, the BAS in Kazakhstan will conduct a series of seminars and workshops promoting franchises. The BAS will conduct a review of franchising possibilities in Kazakhstan to include discussions with the International Franchise Associations (IFA). Promotional efforts will feature work with local associations of entrepreneurs to conduct a franchise trade show and work with government officials to develop marketing material that promotes franchise opportunities in Kazakhstan to US franchisers.

Because of the developing nature of the business environment, the exact criteria for the eligibility of companies, the limits on advisory support, the qualifications and payments for the advisors, modes of coordination within the BAS and other operating rules and procedures will be proposed

in annual work-plans and approved by USAID. In general, the intention is to assist companies in order to spur profitability and growth in a cost-effective manner and to promote synergies with other assistance programs.

The BAS seek to serve small and medium enterprises, which would not otherwise have access to such expertise. The BAS, however, should not be entirely free. A schedule of fees based on local market conditions should be set up so that the funds available from USAID go further and the client firms value the expert advice they receive.

The BASs must also be cost-effective. This means that it must establish criteria so that decisions can be made early in the process to eliminate companies that have little hope of survival. At the same time, it will not be cost-effective to support one-on-one advisory services to very small firms. Even if this were successful, it would not provide an adequate benefit to justify the expenses. It should, however, be possible to help small companies through "batch processing" of SMEs in similar industries. The batching of courses will be open enrollment programs of management training, restructuring workshops and technical training. The advisors could provide some generic tools and help company executives of similar industries through industry specific courses and workshops on a large enough scale to be cost-effective.

#### **4. Business and Professional Associations**

USAID will facilitate the establishment and support of progressive business and professional associations in each of the Central Asian Republics.

The contractor will encourage and facilitate partnerships between businesses, associations and educational institutions to promote association development. This effort will include, but not be limited to, assisting businesswomen and other professional associations, particularly in the Ferghana Valley, Uzbekistan. This support shall include training in such topics as strategic planning, membership development, association marketing, finance and budgeting, sources of non-dues income, international trade and globalization, association ethics and the role of business and professional associations in a democratic system.

In its annual work plan, the contractor will propose a program for supporting and strengthening business and professional associations and describe its implementation.

#### **5. Regional Trade Promotion (RTP)**

Under a previous contract, USAID established of a network of Enterprise Development Centers (EDC's) throughout the region to expand trade by bringing people and businesses together as trading partners. The centers link buyers and sellers through an internet-based Regional Trade Network (**RTN**). The centers also facilitate partnership by linking local business associations. Expanded regional trade within the Republics of Central Asia promotes economic development, reduce cross border tensions and conflict, increase regional stability, foster greater regional

cooperation and cohesion, and grow SMEs. The contractor will continue and expand these regional trade network activities.

The needs of private businesses in Central Asia frequently can be cited in three categories: a need for timely and current information, new skills, and affordable and accessible capital. But as one begins to delve further into how best to meet these needs, they realize soon that the key catalyst for each often lies in identifying and accessing new markets. That is, the connection, or in many cases, the re-connection, of buyers and sellers can often be the stimulus that provides the information, clarifies the need for new skills, or serves as the leverage to make capital affordable and/or available.

E-TIP will maintain a database of businesses in the Central Asian Republics that will be used as a basis from which a system of matching buyers and sellers is to be implemented. The RTN may draw on existing systems such as the USAID Global Trade Network (GTN), or any other commercially viable business-to-business network that can be adapted to the needs of Central Asian businesses. While trading on a global scale into the United States, Western Europe, or Asia is desirable, the realities within an abundance of the businesses in Central Asia is that cross-border trading within Central Asia is the first logical step with further expansion into the former Soviet Union and Central Eastern Europe occurring as businesses develop. The envisioned regional trade promotion activity will be capable of assisting those businesses that are further into their growth/development and whose products can compete in other market places. The overarching goal of the RTP is to expand trading activities first locally, then regionally, and ultimately internationally.

The RTP will contain both the human and technical resources that provide the business communities of Central Asia with the trade advocacy support necessary to create a more vibrant cross-border trading environment. These resources will be formed into **RTP Teams** that work closely with the other elements in the E-TIP (Business Training, Accounting Reform, Business and Professional Associations, Business Advisory Service, and Quality Management) to ensure that businesses are strengthened to the maximum degree possible so as to take full advantage of the potential of the RTN.

## 6. Quality Management Program

An important component that ties closely into the value added by the BAS and the RTP will be addressing the needs of a Quality Management Program and ISO certification at firm levels. This will assist local companies to become suppliers to multinational companies operating within Central Asia.

The contractor will establish Quality Management Center (QMC) in Kazakhstan. The QMC will plan, schedule and program services in accordance with the market needs. Furthermore, this center will develop an on-going quality and procedures program that will meet the needs of each company deemed qualified to be prepared for ISO certification. Such companies are to receive a quality training and consulting program that leads to achieving ISO certification.



## **B. Legal & Regulatory**

### **1. Removal of Investment Constraints**

The new project will blend the current removal of investment constraint activities in Kazakhstan and Kyrgyzstan into a single component, and provides for the commencement of such activities in Tajikistan and Uzbekistan. The contractor will concentrate on several key regulatory reform issues. These key issues are: reducing the number of licenses and permits required to conduct business activities; simplifying regulations and procedures governing SME activities (including site procurement and development); reducing the number, frequency and duration of inspections; and increasing the transparency of the regulatory process.

The project will include work at both the national and local levels. Specifically, at the national level, the contractor will conduct a survey (except in Kazakhstan and Kyrgyzstan) to identify existing constraints on investment and help the host government draft, adopt and implement liberalized, transparent laws and regulations that encourage investment and growth of SMEs. In at least five selected oblasts in Kazakhstan (Taldykorgan (Almaty); West Kazakhstan, East Kazakhstan, Pavlodar and Atyrau), three oblasts in Kyrgyzstan (including Osh and Chui), two regions in Tajikistan (Region of Republican Subordination (Dushanbe) and Sughd (Khojand), and [five] oblasts in Uzbekistan to be selected by the contractor and approved by USAID/CAR, the contractor will identify local level investment constraints, and help build local demand for the reform and improvement of the SME environment. The contractor will work with selected local governments in the host countries to adopt and implement appropriate regulations.

To fully understand existing investment constraints and the current capacity for reform, the contractor must possess a thorough knowledge and understanding of the procedures required to start and to run a business in the relevant country or countries. The contractor will take into account the scope of relevant information available from current and previous USAID-sponsored projects (see attachments in Section \_\_\_\_). Depending upon the extent of the contractor's current knowledge of laws and regulations in the relevant countries, in order to acquire the necessary knowledge base the contractor may need to conduct an assessment of existing procedures for:

- obtaining investor visas and expatriate work permits and hiring local labor;
- finding and buying land, developing a site and complying with environmental regulations;
- registering a company, registering to pay taxes, obtaining sectoral and business licensing, acquiring incentives; and
- importing and exporting, expatriating profits, and acquiring foreign exchange.

After investment constraints at the national and local levels have been identified, the contractor will implement a technical assistance program that fosters regulatory and procedural reforms that encourage and facilitate investment. The goal of such reforms is to improve the operating environment for SMEs by reducing the number and complexity of current regulations and

procedures. The contractor will promote the adoption and implementation of laws and regulations that encourage investment in SMEs. Expected results of this portion of the activity include the fundamental restructuring of specific governmental agencies into more service-oriented, “investor friendly,” results-driven organizations. The work plan will focus on designing and implementing a program of administrative reform that will both allow and encourage government organizations to better respond to the needs of small businesses.

The increased flow of information to private enterprises and business associations is essential to the effectual removal of investment constraints. Therefore, the contractor will provide training and prepare and present workshops concerning constraints on SME trade and investment. These workshops will examine the status of national and local level reform activities, promote cooperation and discussion among SMEs, and stimulate demand for reform. Furthermore, the contractor will formulate a strategy for the promotion of increased dialogue among local governments, business associations, and entrepreneurs.

Although expatriate consultants will provide substantial technical assistance, it is envisioned that the contractor will also utilize some combination of locally hired American employees and/or volunteers to complement and leverage the effectiveness of expatriate consultant services. Former graduate student volunteers (GSVs) and former Peace Corps volunteers still living in the region, and others, may be hired by the contractor in the category of “locally hired Americans” (LHAs). To the extent such persons are available for employment, the contractor is expected to utilize employees from the lower-cost employee categories described above to establish an expatriate presence in the selected oblasts.

## **2. WTO Support**

Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan each face a different situation with respect to WTO accession status. Kyrgyzstan has already acceded to the WTO, and Kazakhstan has made significant progress towards WTO accession. Tajikistan only recently initiated efforts to accede to the WTO, and Uzbekistan is virtually at the beginning of its WTO accession process. Many difficult tasks related to WTO (and cross border trade generally) remain and comprise the objectives of this component.

As part of this component, the contractor will assist the Government of the Kyrgyz Republic in fully implementing its WTO trade agreements. However, such assistance should be gradually reduced and phased out entirely within the first two years of the project. The contractor will assist the Governments of Kazakhstan, Tajikistan and Uzbekistan in their respective efforts to accede to the WTO. In this endeavor, the contractor will monitor, review and propose amendments to draft legislation that affects the foreign trade regimes of the countries, so as to ensure their compliance with WTO requirements. The contractor will also assist the countries in keeping the WTO apprised of any changes in their foreign trade regimes in a timely fashion. In addition, the contractor will provide training on WTO settlement mechanisms and work on developing the capacity of WTO oversight bodies to provide information on the compliance of



new laws with WTO-related agreements, and provide notification of legislative changes relevant to WTO compliance.

In conjunction with WTO assistance, this component will focus efforts on supporting cross-border trade. The contractor will: 1) identify regional market niches and areas of comparative advantage for SMEs operating in the relevant countries; 2) identify incentives and disincentives in these regional markets vis-à-vis SMEs elsewhere in the relevant countries; and 3) analyze and translate various proposals that could affect the regional trade practices of SMEs in the relevant countries on an as-needed basis.

### **3. Customs Support**

Under this component, the contractor will assist with the development (as applicable) and implementation of customs modernization plans to bring the customs regimes of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan into compliance with the Revised Kyoto Convention (RKC). The contractor will help the host governments conduct a series of public seminars to educate the local trade communities on such critical customs issues as valuation methodology, merchandise classification, origin determination, customs procedures, importer rights and appeals.

The contractor will also assist in furthering cooperation and coordination between customs and tax authorities within and among the countries. Further, the contractor will continue to provide advice and technical assistance to the customs administrations of Kazakhstan and Kyrgyzstan, and will begin providing advice and technical assistance to the customs administrations of Tajikistan and Uzbekistan, to implement streamlined customs procedures, customs record keeping rules, the new WTO Rules of Origin, including a customs advance rulings procedure, and customs rule making. Furthermore, the contractor will develop a formal selective inspection system.

### **4. SME Tax Issues**

Under this component, the project will work toward improvement of the tax structure at the local level in the host countries. In particular, the contractor will work with local officials and entrepreneurs to identify and resolve tax issues affecting SMEs which can be addressed at the local level, and to improve the interaction between SMEs and local tax offices. This will include working with SMEs to identify obstacles and impediments the current system of collecting taxes creates for them, lobbying local and, where necessary, national level tax administrations to bring about change, and informing SMEs of improvements that need to be implemented. Areas to be addressed could also include simplifying and regularizing the implementation of VAT regulations and procedures at the local level (which should result in, among other things, an improvement in the timeliness and likelihood of SMEs receiving VAT refunds), reducing over-burdensome record keeping and reducing the frequency of tax payments for certain smaller businesses.

### **C. Competitiveness**

The contractor will support the further development of the National Competitiveness Council that is formed through the E&E Bureau-funded project. Once established, the contractor will need to do significant awareness raising in order to strengthen the council. The council would include the heads of prominent Kazakhstani firms, the heads of at least two of the larger banks, ministers or deputy ministers of economy, finance, trade, and a senior member of the national bank. Academics, members of think tanks, and perhaps, members of the media should also be included in the council. More specifically, the contractor would:

- support the council in guiding cluster formation;
- assist the council in strategizing how to build political will in support of cluster-driven agendas;
- monitor cluster and economy-wide changes resulting from cluster initiative;
- analyze economic and social impacts of cluster initiatives;
- subcontract with local public education or media professionals to publish and disseminate results of monitoring and analysis to the public and to key decision-makers; and
- work with the council to provide comprehensive annual competitiveness reports.

USAID/CAR has no pre-conceived opinions as to the viability of any given sector. For the competitiveness initiative to succeed, it is crucial that the clusters be chosen both on the basis of their potential viability on the world market, and for their will, drive and initiative to be a successful cluster. For this reason, in the initial phase the contractor will need to work with as many enterprises as possible, and as many government agencies that express interest. Specifically, the contractor will:

- set the procedures and criteria for cluster selection, including requirements for cluster financial contributions;
- participate in actual selection of clusters;
- work intensively with cluster leaders and staff to advance practical understanding of competitiveness and promote strategic thinking and “mindset” change among all cluster stakeholders; and
- help set cluster performance objectives and high-priority agendas to remove blockages to cluster advancement.

### **VI. Benchmarks & Tangible Results**

The contractor understands and agrees that achievement of tangible results is the essence of the contract and that USAID/CAR will judge the contractor's success in the contract based upon whether or not the tangible results are achieved. In the event that any one or more of the tangible results is (are) not achieved, or should the contractor at any time realize that they are not achievable, the contractor shall immediately advise the CTO in USAID/CAR in writing.

Furthermore, in the next report, required as part of the existing "Reporting Requirements," the contractor shall provide a complete explanation related thereto.

In reviewing the proposals, USAID will attach high importance on the expected results proposed, their feasibility, and their contribution towards achieving the intermediate results and strategic objective.

## **Enterprise Development Services**

### **1. Business Training**

- The contractor will submit periodic work plans to fulfill the tasks enumerated within 30 days of signing the contract. (Work plans are subject to CTO approval prior to implementation.)
- The contractor shall begin to implement the tasks in the work plan immediately upon CTO approval of the work plan.
- The contractor will have trained staff and local training partners in all five countries within 60 days of signing the contract.
- The contractor will maintain a 90-day “rolling” training (by country) schedule for both professional accounting and business training.
- Entrepreneurs, relevant government officials, SME managers and accountants will begin receiving business short course and professional accounting course training within 90 days of signing the contract.
- The contractor is required to provide a cost per hour of education. This may be broken into two categories: business training and accountancy courses. Courses need not be broken down by subject. Again, the objective is to provide as much quality training as possible within a limited budget. The contractor will be responsible for quality control.
- The contractor is required to establish and maintain SME and Trade Network databases for the five Central Asia Republics. The data will include such information as name, address, contact information; type of business, number of employees; date registered; financials, export/import, products, input needs and other information relevant to tracking SME growth and trade activity in the region. In addition, the contractor will gather basis SME statistics in each country, including such information as the number of SMEs operating in both the formal and informal sectors, number of workers employed by SMEs, business sectors in which SMEs operate, contribution of SMEs to gross national product.

#### Business Training:

The contractor is required to deliver various business courses including, but not limited to, the following subjects: import and export processes, franchising, ISO 9001/2000, developing a

marketing plan, human resource management, legal requirements for SMEs, taxation requirements for SMEs, analysis of financial statements, strategic planning and preparing a business plan. Where possible, the contractor will provide business training and training activities to SMEs receiving financial support from USAID and other donors.

The numbers represented below are the number of participants taking the courses. For the purposes of fulfilling the deliverables, if one person participates in three separate courses that will count as three participants. The contractor, however, will keep track of and report on the actual number of people to attend courses (in the previous example, the number is one) and the names and number of SMEs participating as well as number of employees per company attending the courses.

### **Business Courses (24 months)**

<b>Kazakhstan</b>	<b>Kyrgyzstan</b>	<b>Uzbekistan</b>	<b>Tajikistan</b>	<b>Turkmenistan</b>
TBD	TBD	TBD	TBD	TBD

## **2. Accounting Reform**

### Adoption of International Accounting Standards (IAS) and International Standards of Audit (ISA):

A. The adoption of national standards that are fully compliant in form and content to IAS and ISA.

### Education/Examination/Certification of Professional Accountants:

The contractor is required to design, where necessary, and deliver the professional accountancy courses in financial accounting, managerial accounting, finance, audit, and tax-law based on the CGA curriculum leading to the Professional Certification as described above. The first two courses have been designed and taught under the previous accounting-reform task order. These two courses are designed for delivery over approximately 60 hours of classroom time. The objective is that after completing these courses based on the nine CGA courses specified above, participants should have a body of knowledge sufficient to allow them to take individual exams in the five modules (financial accounting, managerial accounting, finance, audit and tax, and law). Upon satisfactory completion of these exams, the participants would receive a professional certification compatible with the core accounting requirements of IFAC's International Education Guidance (IEG)-9, as described above.

The contractor shall propose a training and benchmark schedule.

### **Accounting Training Course Participants by Country to August 31, 2004**

	Kazakhstan	Kyrgyzstan	Uzbekistan	Tajikistan	Turkmenistan	Total
<b>Professional Certification Courses</b>						
<b>Financial Accounting I (FA1*)</b>	TBA	TBA	TBA	TBA	TBA	TBA
<b>Financial Accounting II (FA2 &amp; 3)</b>	TBA	TBA	TBA	TBA	TBA	TBA
<b>Managerial Accounting I (MA1)</b>	TBA	TBA	TBA	TBA	TBA	TBA
<b>Managerial Accounting II (MA2)</b>	TBA	TBA	TBA	TBA	TBA	TBA
<b>Finance (FI1)</b>	TBA	TBA	TBA	TBA	TBA	TBA
<b>Tax and Law (country-specific)</b>	TBA	TBA	TBA	TBA	TBA	TBA
<b>Audit (AU1)</b>	TBA	TBA	TBA	TBA	TBA	TBA
<b>Total participants</b>	TBA	TBA	TBA	TBA	TBA	TBA

*\*The Contractor may reallocate up to 10% of professional accounting course participants among courses within each country program to adjust for demand and particular opportunities.*

The contractor shall assist local counterparts in implementing testing and certification programs compatible with IFAC guidance and based on leading programs of professional associations such as the Association of Certified Chartered Accountants (ACCA) and the Certified General Accountants (CGA) in Canada. The contractor shall encourage these organizations (ACCA, CGA), and other international organizations such as IASB and IFAC, to establish a world-standard professional accreditation program in Central Asia.

#### Accounting Curriculum Development and Training of Teachers:

In the areas of accounting curriculum and teacher training, the contractor will:

- finalize the outline of the Model Curriculum for undergraduate accounting;
- identify materials for the Model Curriculum;
- submit the Model Curriculum and materials to MOEs, HEIs and accounting teachers in Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan; and
- provide special methodological/pedagogical training.

#### Association Development:

In the area of professional association support and development, the contractor will support the development of progressive professional accounting and auditing associations that adopt or have IFAC compliant charters, and that promote IFAC standards, ethics, practices and principles. Progress will be measured as follows:

- The level of international standardization and compliance will be measured, at a national level, by the number of individual or jointly organized associations accepted as full or

associate members of IFAC. Those associations that are not members of IFAC should become associate members, and those that are associate members should become full members.

The institutional and advocating capacity of accounting and audit organizations will be measured through the adoption of National Accounting Standards that are fully IAS-compliant and National Standards of Audit that are ISA-compliant.

### **3. Business Advisory Services**

- The contractor will have the consulting team visit at least 750 SMEs in Kyrgyzstan to determine business needs.
- At the end of each EVA assignment, an analysis of each company supported during the assignment will be prepared.
- The contractor will create a centralized database for compiling information on training participants, trade information, and assisted SMEs. To the extent possible, reports on the impact on business advisory will be maintained.
- The contractor will establish and maintain Enterprise Development Offices in designated cities of Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan.

### **4. Business & Professional Association Development**

In Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan, the contractor will strengthen the associations' programmatic sustainability, financial sustainability, membership products and services, and their advocating capacity at a local and national level. Progress in each category shall be recorded with individual benchmark assessments and with comparable follow-up assessments during and after the training and technical assistance program.

### **5. Regional Trade Promotion (RTP)**

- The contractor will establish an internet-based trade network to facilitate cross-border trade opportunities of SMEs throughout Central Asia.
- The contractor will maintain a record of trade matches. This record will identify problem areas presented by these trade opportunities/deals and make recommendations as how best to mitigate these problems.

### **6. Quality Management Program**

The contractor will establish and develop a Total Quality Management Center in Kazakhstan that provides information, training, and consulting to companies that seek to become local suppliers to the multi-national oil companies of Kazakhstan.

## LEGAL &amp; REGULATORY

**1. Removal of Investment Constraints**

The removal of investment constraints activity will be undertaken in Kazakhstan and Kyrgyzstan. It is understood that the removal of investment constraints activity will not be implemented in Tajikistan or Uzbekistan unless notification is received [see Section I.2 - FAR 52.217-7]. At the time of notification the deliverables completion date for this component may be adjusted.)

With respect to each country in which the removal of investment constraints activity is undertaken, the contractor will:

- Within thirty days of the effective or notification date, as applicable, develop and deliver a work plan which proposes a specific time frame for (a) acquiring the requisite knowledge base of existing investment constraints (see Benchmark No. 3) and (b) preparation and submission of a further work plan containing recommendations to remove investment constraints (see Benchmark No. 4).
- Identify appropriate counterparts and proponents of regulatory reform.
- Acquire requisite knowledge base of existing constraints on SME growth and investment. Depending on the contractor and on the scope of relevant information available from current or previous USAID-sponsored projects (see Attachment \_\_), this may require that surveys or assessments be conducted to identify national and local-level regulatory problems that business and investors face.
- Prepare and deliver a further work plan containing (a) specific objectives with respect to the removal of investment constraints at the national level and in each of the selected oblasts in the relevant countries (including specific recommendations regarding reductions in the number of licenses and permits required to conduct business activities and modifications to regulations and procedures governing site procurement and development) and to improve local level capacity for reforms calculated to encourage SME development in each of the selected oblasts; (b) specified time frames for accomplishing the specific objectives with respect to the removal of investment constraints on a national level and in each of the selected oblasts in the relevant countries; and (c) detailed performance indicators calculated to measure the contractor's progress towards achievement of the specific objectives.
- Develop basic materials identifying the principal investment constraints and key regulatory reform issues.
- Conduct workshops at the national level and in each of the selected oblasts in the relevant countries to disseminate to governmental and non-governmental groups materials identifying the principal investment constraints, key regulatory reform issues, and to increase awareness of, and consensus concerning, regulatory reform issues.
- Train governmental and non-governmental groups at the national level and in each of the selected oblasts in the relevant countries in regulatory reform methods and sound administrative practices, such as cost-benefit analysis and mandatory review and comment.



- Implement regulatory reform efforts at the national level and at the local level in each of the selected oblasts in the relevant countries calculated to remove constraints on investment and to encourage the establishment and growth of SMEs.
- Develop working groups consisting of representatives of local government, business associations and entrepreneurs in each of the selected oblasts in the relevant countries that meet at least monthly to discuss local investment constraints and key regulatory reform issues, with the objective of working for the removal of investment constraints, and increasing the general level of awareness of, and building consensus concerning, regulatory reform issues. The objective is to ensure that, at the end of the project, a viable working group comprised of both public and private sector representatives exists in each of the selected oblasts in the relevant countries that will continue to meet together regularly to carry forward and expand upon the consensus building and regulatory reform effort initiated with the contractor's assistance under the project.
- Establish feedback and information communication mechanisms at the national level and in each of the selected oblasts in the relevant countries to facilitate the dissemination of information concerning existing restraints on investments and to further increase the accountability of governmental agencies providing services to SMEs.
- In close cooperation with the local governments, business associations and entrepreneurs in each of the selected oblasts in each of the relevant countries, develop systems that encourage continuing improvements to the quality of services to SMEs performed by local governmental agencies.
- Maintain a web page on Removal of Investment Constraints in each of the relevant countries (in both Russian and the host country's native language; e.g., Kyrgyz in Kyrgyzstan). At a minimum, the web page will contain sufficiently detailed information regarding existing investment constraints in the country and in each of the selected oblasts so as to permit viewers to make a comparative analysis of investment constraints among the selected oblasts. In addition, the contractor will hold national press conferences in each of the relevant countries on at least a semiannual basis, to which representatives of the national media and of the media in each of the selected oblasts in that country will be invited, and at which information concerning existing investment constraints and efforts to remove such constraints in each of the selected oblasts in that country will be disseminated for publication.

## 2. WTO Support

Project support for post-accession WTO assistance to Kyrgyzstan will be completed during the first two years of the activity. It is understood that the WTO components for Kazakhstan, Tajikistan and Uzbekistan, respectively, will not be implemented unless notification is received [see Section I.2 - FAR 52.217-7]. At the time of notification the deliverables completion date for this component may be adjusted.)

With respect to post-accession WTO support to Kyrgyzstan, the contractor will:



- Provide support to Kyrgyzstan in fulfilling its WTO-related obligations and requirements.
- Assist the Government of the Kyrgyz Republic in handling post-accession issues in the trade and investment area. Within the first two years of the project, the contractor should phase out post-accession WTO assistance and complete training of locals to carry on thereafter with WTO compliance-related issues.
- Identify regional market niches and areas of comparative advantages for SMEs operating in Kyrgyzstan and widely disseminate such information to SMEs operating in each of the selected oblasts.
- Review and evaluate relevant Regional Trade Agreements (RTAs) to identify specific benefits and advantages, as well as possible disadvantages and impediments, for SMEs operating in the selected oblasts. Disseminate such information to relevant SMEs and to other USAID-sponsored projects.
- Monitor, review and propose amendments to draft legislation to streamline the foreign trade regime of, and promote cross border trade between Kyrgyzstan and neighboring countries, while ensuring compliance with WTO requirements.
- Assist the Kyrgyz government in keeping the WTO apprised of any changes in its foreign trade regime in a timely fashion.
- Assist the Kyrgyz government in expanding the capacity of its WTO oversight bodies to provide information on the compliance of new laws with WTO-related agreements, and provide notification of legislative changes relevant to WTO compliance.
- Provide assistance in further developing a WTO Research Library/Center.
- Assist in developing education on WTO settlement mechanisms.
- Develop the government's capacity to conduct liaison directly with WTO officials. Help to further establish relations between complementary bodies within the government and the WTO.
- Further develop the capacity of government officials to properly interpret and apply WTO regulations.
- Evaluate Kyrgyzstan's trade policies, including quantitative restrictions (import and export licenses and quotas), state trading, import and export registration, import and export tariffs policies, foreign exchange policies and other non-tariff barriers to trade. On the basis of the evaluations, provide recommendations to further liberalize Kyrgyzstan's foreign trade regime.
- Provide *ad hoc* WTO troubleshooting advice to the government.

In each other country in which the WTO Support component is undertaken, the contractor will:

- Assist on an as-needed basis in its accession to the WTO.
- Identify regional market niches and areas of comparative advantages for SMEs operating in the country and widely disseminate such information to SMEs operating in each of the selected oblasts.
- Review and evaluate relevant Regional Trade Agreements (RTAs) to identify specific benefits and advantages, as well as possible disadvantages and impediments, for SMEs

operating in the selected oblasts. Disseminate such information to relevant SMEs and to other USAID-sponsored projects.

- Monitor, review and propose amendments to draft legislation to streamline the foreign trade regime of, and promote cross border trade between the country and its neighbors, while ensuring compliance with WTO requirements.
- Assist the government in keeping the WTO apprised of any changes in its foreign trade regime in a timely fashion.
- Assist the government in its development of WTO oversight bodies to provide information on the compliance of new laws with WTO-related agreements, and provide notification of legislative changes relevant to WTO compliance.
- Provide assistance in developing WTO Research Libraries/Centers.
- Assist the government in developing education on WTO settlement mechanisms.
- Develop the capacity of the government to conduct liaison directly with WTO officials. Help to establish relations between complementary bodies within the government and the WTO.
- Develop the capacity of government officials to properly interpret and apply WTO regulations.
- Within the context of the country's overall advancement towards accession to WTO, assess and recommend changes in the country's trade and investment practices in the following areas:
  - non-tariff barriers to trades;
  - cross-border trade;
  - legislative and regulatory guidelines setting the framework for the establishment and conduct of foreign investment; and
  - administrative barriers to increased foreign and domestic investment opportunities.
- Provide *ad hoc* WTO troubleshooting advice to the government.

### 3. Customs Support

The contractor will provide Customs Support in Kazakhstan and Kyrgyzstan. It is understood that the Customs Support component will not be implemented in Tajikistan or Uzbekistan unless notification is received [see Section I.2 - FAR 52.217-7]. At the time of notification the deliverables completion date for this component may be adjusted.)

In Kazakhstan and Kyrgyzstan, the contractor will:

- Continue to assist the customs administrations of Kazakhstan and the Kyrgyz Republic in joining and implementing the International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention).
- Assist the customs administrations of both countries in joining and implementing the International Convention on the Harmonized Commodity Description and Coding System (HS Convention).
- Assist the customs administrations of Kazakhstan and Kyrgyzstan with the implementation of customs modernization plans by providing relevant technical advice and training.

- Help the Government of Kazakhstan develop cost-based user fees for customs services for importation clearance.
- Advise the Customs Committees of both countries on implementation of streamlined customs procedures.
- Analyze customs regulations and procedures in both countries affecting cross-border trade and recommend revisions to promote such trade.
- Assist in the development of cooperation and coordination between the customs and tax authorities within and between the two countries, so as to decrease significantly the administrative burden within the agencies themselves and to reduce substantially the burden imposed by the agencies on SMEs.
- Help both governments implement the new WTO Rules of Origin, including a customs advance ruling procedure.
- Develop coordination and cooperation between the trade community and customs authorities in both countries and with their neighboring countries.
- Conduct a World Customs Organization diagnostic in Kyrgyzstan.
- Provide training to customs officials through both on-the-job training and through a series of seminars covering, at a minimum, the following areas: customs declaration, customs valuation, customs processing, customs clearance, and customs audit.
- Audit the performance of customs officers at the regional customs houses in both countries to determine whether customs rules are being properly applied, and to determine the effectiveness of training in order to provide remedial training.
- Assess and make recommendations for existing training units. Help further develop the training unit through drafting additional teaching notes for customs instructors on specific customs issues, training additional customs officers to teach using the notes, and monitoring their performance in classroom situations.
- Initiate and expand the public outreach program and public information seminars to include additional trade topics and locations.

With respect to each other country in which the Customs Support component is implemented, the contractor will:

- Assist the customs administration in joining and implementing the International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention).
- Assist the customs administration in joining and implementing the International Convention on the Harmonized Commodity Description and Coding System (HS Convention).
- Assist the customs administration with the development and implementation of customs modernization plans by providing relevant technical advice and training.
- Advise the customs administration on implementation of streamlined customs procedures.
- Analyze customs regulations and procedures affecting cross-border trade and recommend revisions to promote such trade.
- Assist in the development of cooperation and coordination between the customs and tax authorities within the country, as well as between the country's customs and tax authorities

and those of neighboring countries, so as to decrease significantly the administrative burden within the agencies themselves and to reduce substantially the burden imposed by the agencies on SMEs.

- Help the government implement the new WTO Rules of Origin, including a customs advance ruling procedure.
- Develop coordination and cooperation between the trade community and customs authorities.
- Provide training to customs officials through both on-the-job training and through a series of seminars covering, at a minimum, the following areas: customs declaration, customs valuation, customs processing, customs clearance, and customs audit.
- Audit the performance of customs officers at the regional customs houses within the country to determine whether customs rules are being properly applied, and to determine the effectiveness of training in order to provide remedial training.
- Develop training units for customs instructors on specific customs issues and monitor their performance in classroom situations.
- Develop and initiate public outreach programs and public information seminars on trade-related topics.

#### **4. SME Tax Issues**

The contractor shall complete the following activities:

- In cooperation with NGOs that focus on tax issues, review and improve the current system of registration, filing, returns processing and VAT refund processing at three local tax offices;
- Educate the public about its rights under the appeals system; and
- Provide training to SMEs and NGOs on lobbying the tax authorities for change.

#### **COMPETITIVENESS**

The contractor shall work to achieve the following:

- Identification of key patterns impeding competitiveness of Kazakhstan's industries;
- Evaluation of the strengths and weaknesses of Kazakhstan's economy;
- Conduct a national assessment of the key challenges that confront Kazakhstani business;
- Development of a fully functioning, sustainable, and politically committed National Competitiveness Council, representing national level interests of government and the private sector, and as independent as possible;
- Production of annual national competitiveness performance reports produced beginning in year two;
- Development of a permanent steering mechanism for public-private dialogue on policy issues that affect the competitiveness of Kazakhstan's economy and that withstand changes in government;

- Conduct of at least two clusters selected within the first six months of the contract, and up to two additional clusters selected within the first year of the contract;
- Work with all selected sectors for the balance of the contract period;
- Establish and achieve performance objectives (increased investment, employment, exports, percentage of GDP, etc.) for all of the selected clusters;
- Evaluate all of the sub-projects for measurable direct and indirect impacts on the achievement of cluster-wide performance objectives; and
- Disseminate widely the impact data and sub-project reports within and outside the cluster.

**SECTION D - PACKAGING AND MARKING****D.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

**I. AID ACQUISITION REGULATION (48 CFR CHAPTER 7) CLAUSES**

NUMBER	TITLE	DATE
752.7009	MARKING	JAN 1993
		[End of Clause]

[END OF SECTION D]

## SECTION E - INSPECTION AND ACCEPTANCE

### E.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far>

### I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	TITLE	DATE
52.246-5	INSPECTION OF SERVICES - COST-REIMBURSEMENT	APR 1984
52.246-15	CERTIFICATE OF CONFORMANCE	APR 1984

[End of Clause]

### E.2 INSPECTION AND ACCEPTANCE

USAID inspection and acceptance of services, reports and other required deliverables or outputs shall take place at:

DOS/USAID  
Enterprise & Finance Office  
41 Kazibek Bi Street  
480100, Almaty,  
Republic of Kazakhstan

or at any other location where the services are performed and reports and deliverables or outputs are produced or submitted. The CTO listed in Section G has been delegated authority to inspect and accept all services, reports and required deliverables or outputs.

[End of Clause]

### E.2 PERFORMANCE STANDARDS

Evaluation of the Contractor's overall performance in accordance with the performance standards set forth herein shall be conducted jointly by the CTO and the Contracting Officer, and shall form the basis of the Contractor's permanent performance record with regard to this contract.

[To be determined]

[END OF SECTION E]

**SECTION F - DELIVERIES OR PERFORMANCE****F.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far>

**I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES**

NUMBER	TITLE	DATE
52.242-15	STOP-WORK ORDER	AUG 1989
	Alternate I (APR 1984)	

[End of Clause]

**F.2 PERIOD OF PERFORMANCE**

The period of performance for this contract is August 1, 2002 through July 31, 2005. The period of performance for option periods, if any, is:

OPTION PERIOD # 1 : August 1, 2005 through July 31, 2006;  
 OPTION PERIOD # 2 : August 1, 2006 through July 31, 2007

[End of Clause]

**F.3 REPORTS AND DELIVERABLES OR OUTPUTS**

In addition to the requirements set forth for submission of reports in Sections I and J and in the AIDAR clause 752.7026, Reports, the Contractor shall submit the deliverables or outputs specified below to the CTO specified in Section G:

**F.4 REPORTING REQUIREMENTS**

Technical assistance needs to be implemented with considerable flexibility and pragmatism to reflect the changing environment. However, significant shifts in approach and changes in work plans will require written approval by the CTO. The form of reporting and communication with client personnel shall be tailored to the needs of the work program and facilitate project monitoring on the part of the CTO.

The required reports (listed below) will focus on substance and will detail progress made against the tangible results and benchmarks specified in this contract.

The contractor is required to provide the following reports to CTO:

**Monthly Reports**

1. Such reports will be comprehensive, but precise in detail and report on only that information that is crucial to the success of the project. This will include issues of implementation and achievements plus any



proposed changes or refinements to the work plan according to the following format and will highlight at a minimum the following:

- Completion of, or progress to date against, deliverables as stated in deliverables section of the contract;
- Proposed changes or refinements to the scope of work or working plan;
- Problems and issues encountered during the reporting period, if any;
- Significant lapses in coordination, if any, that have adversely affected the contractor's work progress;
- Open issues of importance from previous reports that remain unresolved and require decisions;
- Changes/revisions of forecasts from previous reports and reasons/causes; and
- Forecast of activities for the next six weeks.

2. The monthly reports are to be submitted both electronically and physically to USAID/CAR within five business days of the end of the month following the month covered by the report. These reports will focus on specific results and achievements of required tasks and will also detail any foreseen obstacles in program implementation within the dynamic economic environment.

### **Quarterly Reports**

1. Such reports shall summarize the progress that the project will have made at the end of each quarter. The reports shall provide a summary of the reforms implemented and their impact on the bureaucracy using the measurement system developed. Present capabilities and established goals shall be compared with those of other countries and international best practices.
2. The quarterly reports are to be submitted to USAID/CAR within ten working days of the end of the quarter covered by the report.
3. The reports on performance indicators are to be submitted to USAID/CAR as agreed to with the CTO in the work plan.
4. The contractor will conduct a customer service survey at least semiannually to ensure that the clients' needs are being met.

### **Final Report**

The final report is to be submitted to the CTO within a month following the end of the contract.

All reports must be sent electronically and physically to the Contracting Officer and the CTO. The CO or CTO may grant permission for electronic only submission.

## **F.5 KEY PERSONNEL**

Each Offeror is free to present its own plan for staffing of the contract, and to identify those personnel, for up to five positions, which it feels are "key" to achieving optimum results.

### **Technical Resources**

Included is an illustrative staffing pattern as guidance (Section L.8, Instructions Regarding Key Personnel). In USAID/CAR's review and assessment of past activity in trade & investment and in its SME activities, the following viewpoints are of relevance to the subject of key personnel:

#### **1. Technical Resources**

Each Offeror should give careful consideration to the size and composition of the staff proposed for this contract, using the illustrative staffing pattern outlined for general guidance. In evaluating proposals USAID/CAR will expect the staffing proposal to demonstrate not only the Offeror's understanding of the tasks required by the contract but also the Offeror's ability to be cost-effective in delivering these services through a judicious combination of U.S. and local professionals, and long-term resident personnel and short-term specialists.

Note on Language:

Offerors should consider the language factor when planning their staffing and operations in CAR. Although USAID will not expect all long-term U.S. advisors to be fluent in Russian, it does expect that the contractor team as a whole will be fully functional in English, Russian, and where necessary the local national languages.

[End of Clause]

**F.6 SUBMISSION OF DEVELOPMENT EXPERIENCE DOCUMENTATION TO PPC/CDIE/DI**

USAID contractors must submit one electronic and/or one hard copy of development experience documentation (electronic copies are preferred) to the Development Experience Clearinghouse at the following address.

Development Experience Clearinghouse  
1611 N. Kent Street, Suite 200  
Arlington, VA 22209-2111

Telephone Number 703-351-4006, ext. 100  
Fax Number 703-351-4039  
E-mail: [docsubmit@dec.cdie.org](mailto:docsubmit@dec.cdie.org)  
<http://www.dec.org>

[END OF SECTION F]

## SECTION G - CONTRACT ADMINISTRATION DATA

### G.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: <http://www.arnet.gov/far/>

#### FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES AND AID ACQUISITION REGULATION (48 CFR CHAPTER 7) CLAUSES

NUMBER	TITLE	DATE
752.7003	DOCUMENTATION FOR PAYMENT	NOV 1998

[End of Clause]

### G.2 ADMINISTRATIVE CONTRACTING OFFICE

The Administrative Contracting Office is:

US-based mailing: USAID/CAR/AA Dept. of State 7030 Almaty Place Washington, DC 20521-7030	Street address: DOS/USAID Director 's Office, AA section 41 Kazibek Bi Street 480100, Almaty Republic of Kazakhstan
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[End of Clause]

### G.3 COGNIZANT TECHNICAL OFFICER (CTO)

The Cognizant Technical Officer (CTO) shall be assigned via an administrative letter from the Contracting Officer. The location of the Cognizant Technical Office is:

Enterprise & Finance Office  
 USAID/CAR, Almaty  
 41 Kazibek Bi Street  
 Almaty, Kazakhstan, 480100

Main telephone: 7-3272-50-76-12 or 17

### G.4 HOST COUNTRIES/RELATIONSHIP WITH USAID

The Key host-country counterpart are Governments (agencies) of all five Republics in Central Asia.

[End of Clause]

**G.5 TECHNICAL DIRECTIONS/RELATIONSHIP WITH USAID**

(a) Technical Directions is defined to include:

- (1) Written directions to the Contractor which fill in details, suggest possible lines of inquiry, or otherwise facilitate completion of work;
- (2) Provision of written information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work statement;
- (3) Review and, where required, provide written approval of technical reports, drawings, specifications, or technical information to be delivered.

Technical directions must be in writing, and must be within the scope of the work as detailed in Section C.

(b) The CTO is authorized by designation to take any or all action with respect to the following which could lawfully be taken by the Contracting Officer, except any action specifically prohibited by the terms of this Contract:

- (1) Assure that the Contractor performs the technical requirements of the contract in accordance with the contract terms, conditions, and specifications.
- (2) Perform or cause to be performed, inspections necessary in connection with a) above and require the Contractor to correct all deficiencies; perform acceptance for the Government.
- (3) Maintain all liaison and direct communications with the Contractor. Written communications with the Contractor and documents shall be signed as "Contracting Technical Officer" with a copy furnished to the Contract Officer.
- (4) Issue written interpretations of technical requirements of Government drawings, designs, and specifications.
- (5) Monitor the Contractor's production or performance progress and notify the Contractor in writing of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays or problems.
- (6) Obtain necessary security clearance and appropriate identification if access to Government facilities is required. If to be provided, ensure that Government furnished property is available when required.

**LIMITATIONS:** The CTO is not empowered to award, agree to, or sign any contract (including delivery or purchase orders) or modifications thereto, or in any way to obligate the payment of money by the Government. The CTO may not take any action which may impact on the contract schedule, funds, scope or rate of utilization of LOE. All contractual agreements, commitments, or modifications which involve prices, quantities, quality, schedules shall be made only by the Contracting Officer.

(c) The CTO is required to meet quarterly with the Contractor and the Contracting Officer concerning performance of items delivered under this contract and any other administration or technical issues. Telephonic reports may be made if no problems are being experienced. Problem areas should be brought to the immediate attention of the Contracting Officer.

(d) In the absence of the designated CTO, the CTO may designate someone to serve as CTO in their place. However, such action to direct an individual to act in the CTO's stead shall immediately be communicated to the Contractor and the Contracting Officer.

(e) Contractual Problems - Contractual problems, of any nature, that may arise during the life of the contract must be handled in conformance with specific public laws and regulations (i.e. Federal Acquisition Regulation and Agency for International Development Acquisition Regulation). The Contractor and the CTO shall bring all contracting problems to the immediate attention of the Contracting Officer. Only the Contracting Officer is authorized to formally resolve such problems. The Contracting Officer will be responsible for resolving legal issues, determining contract scope and interpreting contract terms and conditions. The Contracting Officer is the sole authority authorized to approve changes in any of the requirements under this contract. Notwithstanding any clause contained elsewhere in this contract, the said authority remains solely with the Contracting Officer. These changes include, but will not be limited to the following areas: scope of work, price, quantity, technical specifications, delivery schedules, and contract terms and conditions. In the event the Contractor effects any changes at the direction of any other person other than the Contracting Officer, the change will be considered to have been made without authority.

(f) Failure by the Contractor to report to the Administrative Contracting Office, any action by the Government considered to a change, within the specified number of days contained in FAR 52.243-7 (Notification of Changes), waives the Contractor's right to any claims for equitable adjustments.

[End of Clause]

#### **G.6 PAYING OFFICE**

The paying office for this contract is:

US-based mailing:  
USAID/CAR/AA  
Dept. of State  
7030 Almaty Place  
Washington, DC 20521-7030

Street/delivery address:  
DOS/USAID  
Attn: Controller  
41 Kazibek Bi Street  
Almaty, Kazakhstan, 480100

[End of Clause]

#### **G.7 ACCOUNTING AND APPROPRIATION DATA**

[TBD]

#### **G.8 COMPLIANCE WITH VETERANS EMPLOYMENT REPORTING REQUIREMENTS**

(a) The Offeror represents that, if it is subject to the reporting requirements of 38 U.S.C. 4212(d) (i.e. the VETS-100 report required by the Federal Acquisition Regulation clause 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era), it has ☐ has not ☐ submitted the most recent report required by 38 U.S.C. 4212 (d).

(b) An Offeror who checks “has not” may not be awarded a contract until the required reports are filed. (31 U.S.C. 1354)

[END OF SECTION G]

**SECTION H - SPECIAL CONTRACT REQUIREMENTS****H.1 AIDAR 752.7032 INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS AND AIDAR 752.7027 PERSONNEL**

In accordance with the above clauses, the Contracting Officer hereby provides prior written approval for international travel, provided that concurrence with the assignment of individuals outside the United States is obtained by the Contractor, in writing, from the CTO prior to their assignment abroad, which must be within the terms of this contract, is subject to availability of funds, and should not be construed as authorization either to increase the estimated cost or to exceed the obligated amount (see Section B). The Contractor shall retain for audit purposes a copy of each travel concurrence.

[End of Clause]

**H.2 INSURANCE AND SERVICES**

Rutherfoord International, Inc.  
5500 Cherokee Avenue, Suite 300  
Alexandria, VA 22312  
Points of Contact: Sara Payne or Diane Ford  
(703) 354-1616

Hours of Operation are: 8 a.m. to 5 p.m. (Eastern Standard Time) Telefax: (703) 354-0370 E-Mail: [www.rutherfoord.com](http://www.rutherfoord.com)

Applicants should request coverage in accordance with USAID Contract No. HNE-Q-00-98-00163-00 with Fidelity and Casualty of New York. Rutherfoord International, Inc., the agent for Fidelity and Casualty of New York, will require a fax copy of the Application for Defense Base Act Coverage. Applications and complete information and instructions are available directly from Rutherfoord International, Inc or from the Rutherfoord website.

(b) Pursuant to AIDAR 752.228-70 Medical Evacuation (MEDEVAC) Services, USAID's Medevac service provider is:

Medex Assistance Corporation  
P.O. Box 5375  
Timonium, MD 21094-5375  
Telephone: (410) 453-6300 in Maryland;  
or (800) 537-2029 (toll-free)  
Telefax: (410) 453-6301

Applicants should request coverage in accordance with USAID Contract No. FAO-0000-Q-00-2041-00.

Medevac services costs are allowable as a direct cost.

[End of Clause]

**H.3 AUTHORIZED GEOGRAPHIC CODE**

The authorized geographic code for procurement of goods and services under this contract is 000 and 935.

[End of Clause]

**H.4 LOGISTIC SUPPORT**

(a) The Contractor shall be responsible for furnishing all logistic support in the United States and overseas.

(b) To the extent that a USAID Mission or an Office of the AID Representative (OAR) in the cooperating country, or a cooperating country, furnishes logistic support for the Contractor's overseas performance, the costs of such logistic support will not be charged to the Contractor, and shall not be charged by the Contractor to this contract. Logistic support furnished in the form of local currency shall be paid to the Contractor in a manner adapted to the local situation and as agreed to by the Mission Director or USAID Representative (USAIDREP), in writing. The documentation for such costs shall be on such forms and in such manner as the Mission Director/USAID REP shall prescribe.

(c) If, under emergency circumstances, it is necessary for a USAID Mission or OAR to pay for any in-country costs on behalf of the Contractor in order to implement any activities under this contract, the Mission may bill the Contractor for such costs, and the Contractor may, in turn, charge those costs against this contract (however, see Section H.4.(b), wherein logistic support to be furnished by the Mission/OAR will be furnished without charge. The Mission/OAR will never recoup those costs via an Advice of Charge (AOC) to the paying office. A Mission may not pay any in- country cost without the prior written approval of the Contractor, which approval must indicate a maximum amount that may be paid.

[End of Clause]

**H.5 SUNCONTRACTING PLAN AND THE SF 294 - SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS AND SF 295 - SUMMARY CONTRACTING REPORT**

The Contractor's subcontracting plan dated \_\_\_\_\_ is hereby incorporated as a material part of this contract.

In accordance with FAR 52.219-9, SF 294 and SF 295 should be forwarded to the following address:

U.S. Agency for International Development  
Office of Small and Disadvantaged Business Utilization  
Washington, D.C. 20523-7800

[End of Clause]

**H.6 EEO COMPLIANCE REVIEW (OCT 1997)**

If the award, when let, should total \$10 million or more, the prospective contractor and its known first-tier subcontractors with subcontracts of \$10 million or more shall be subject to a compliance evaluation before the award of the contract unless OFCCP has conducted an evaluation and found them to be in compliance with Executive Order 11246 within the preceding 24 months.

[End of Clause]

[END OF SECTION H]

**PART II - CONTRACT CLAUSES****SECTION I - CONTRACT CLAUSES****I.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far/>

**I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES**

NUMBER	TITLE	DATE
52.202-1	DEFINITIONS	OCT 1995
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	JUL 1995
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JUN 1997
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	JUN 1997
52.204-4	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	JUL 1995
52.215-2	AUDIT AND RECORDS--NEGOTIATION	JUN 1999
52.215-8	ORDER OF PRECEDENCE--UNIFORM	OCT 1997
52.215-19	NOTIFICATION OF OWNERSHIP CHANGES	OCT 1997
52.216-7	ALLOWABLE COST AND PAYMENT	MAR 2000
52.216-8	FIXED FEE	MAR 1997
52.216-24	LIMITATION OF GOVERNMENT LIABILITY	APR 1984
52.216-25	CONTRACT DEFINITIZATION	OCT 1997
52.217-2	CANCELLATION UNDER MULTIYEAR CONTRACTS	OCT 1997
52.217-7	OPTION FOR INCREASED QUANTITY— SEPARATELY PRICED LINE ITEM (MAR 1989)	MAR 1989
52.217-9	OPTION TO EXTEND THE TERM OF THE CONTRACT	MAR 2000
52.219-5	VERY SMALL BUSINESS SET-ASIDE Alternate 1 (MAR 1999)	MAR 1999
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	OCT 2000



52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN Alternate II (JAN 1999)	OCT 2000
52.219-16	LIQUIDATED DAMAGES--SUBCONTRACTING PLAN	JAN 1999
52.219-23	NOTICE OF PRICE EVALUATION ADJUSTMENT FOR SMALL DISADVANTAGED BUSINESS CONCERNS	OCT 1999
52.222-3	CONVICT LABOR	AUG 1996
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999
52.222-25	AFFIRMATIVE ACTION COMPLIANCE	APR 1984
52.222-26	EQUAL OPPORTUNITY	FEB 1999
52.222-29	NOTIFICATION OF VISA DENIAL	FEB 1999
52.222-35	AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIENTAM ERA	APR 1998
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998
52.222-37	EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA	JAN 1999
52.223-6	DRUG-FREE WORKPLACE	JAN 1997
52.223-14	TOXIC CHEMICAL RELEASING REPORTING	OCT 2000
52.225-11	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	JUL 2000
52.225-14	INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT	FEB 2000
52.227-1	AUTHORIZATION AND CONSENT	JUL 1995
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	AUG 1996
52.227-23	RIGHTS TO PROPOSAL DATA (TECHNICAL)	JUN 1987
52.228-3	WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT).	APR 1984
52.228-7	INSURANCE - LIABILITY TO THIRD PERSONS	MAR 1996
52.229-8	TAXES-FOREIGN COST-REIMBURSEMENT CONTRACTS	MAR 1990
52.230-2	COST ACCOUNTING STANDARDS	APR 1998
52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS	NOV 1999
52.232-17	INTEREST	JUN 1996
52.232-22	LIMITATION OF FUNDS	APR 1984
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT	JUN 1997
52.232-32	PERFORMANCE-BASED PAYMENTS	MAY 1997
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER-CENTRAL CONTRACTOR REGISTRATION	MAY 1999
52.233-1	DISPUTES	DEC 1998
52.233-3	PROTEST AFTER AWARD Alternate I (JUN 1985)	AUG 1996
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	OCT 1995
52.242-4	CERTIFICATION OF FINAL INDIRECT COSTS	JAN 1997
52.242-13	BANKRUPTCY	JUL 1995
52.243-2	CHANGES - COST-REIMBURSEMENT Alternate I (APR 1984)	AUG 1987

52.243-7	NOTIFICATION OF CHANGES	APR 1984
52.245-5	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACT)	JAN 1986
52.244-2	SUBCONTRACTS	AUG 1998
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996
52.247-67	SUBMISSION OF COMMERCIAL TRANSPORTATION BILLS TO THE GENERAL SERVICES ADMINISTRATION FOR AUDIT	JUN 1997
52.249-6	TERMINATION (COST-REIMBURSEMENT)	SEP 1996
52.249-14	EXCUSABLE DELAYS	APR 1984
52.251-1	GOVERNMENT SUPPLY SOURCES	APR 1984
52.253-1	COMPUTER GENERATED FORMS	JAN 1991

## AID ACQUISITION REGULATION (48 CFR CHAPTER 7) CLAUSES

NUMBER	TITLE	DATE
752.202-1	USAID DEFINITIONS CLAUSE-- SUPPLEMENT FOR USAID CONTRACTS INVOLVING PERFORMANCE OVERSEAS Alternate 72	DEC 1986
752.211-70	LANGUAGE AND MEASUREMENT	JUN 1992
752.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS	
752.225-70	SOURCE, ORIGIN, AND NATIONALITY REQUIREMENTS	FEB 1997
752.225-71	LOCAL PROCUREMENT	FEB 1997
752.228-3	WORKER'S COMPENSATION INSURANCE (DEFENSE BASE ACT)	
752.228-7	INSURANCE--LIABILITY TO THIRD PERSONS	
752.228-70	MEDICAL EVACUATION (MEDEVAC) SERVICES	MAR 1993
752.245-71	TITLE TO AND CARE OF PROPERTY	APR 1984
752.7001	BIOGRAPHICAL DATA	JUL 1997
752.7002	TRAVEL AND TRANSPORTATION	JAN 1990
752.7004	EMERGENCY LOCATOR INFORMATION	JUL 1997
752.7005	SUBMISSION REQUIREMENTS FOR DEVELOPMENT EXPERIENCE DOCUMENTS	OCT 1997
752.7006	NOTICES	APR 1984
752.7007	PERSONNEL COMPENSATION	JUL 1996
752.7008	USE OF GOVERNMENT FACILITIES OR PERSONNEL	APR 1984
752.7010	CONVERSION OF U.S. DOLLARS TO LOCAL CURRENCY	APR 1984
752.7011	ORIENTATION AND LANGUAGE TRAINING	APR 1984
752.7013	CONTRACTOR-MISSION RELATIONSHIPS	OCT 1989
752.7014	NOTICE OF CHANGES IN TRAVEL REGULATIONS	JAN 1990
752.7015	USE OF POUCH FACILITIES	JUL 1997

752.7016	VOLUNTARY POPULATION ACTIVITIES	MAR 1999
752.7018	HEALTH AND ACCIDENT COVERAGE FOR USAID PARTICIPANT TRAINEES	JUN 1999
752.7019	PARTICIPANT TRAINING	JUN 1999
752.7023	REQUIRED VISA FORM FOR USAID PARTICIPANTS	APR 1984
752.7025	APPROVALS	APR 1984
752.7027	PERSONNEL	DEC 1990
752.7028	DIFFERENTIALS AND ALLOWANCES	JUL 1996
752.7029	POST PRIVILEGES	JUL 1993
752.7031	LEAVE AND HOLIDAYS	OCT 1989
752.7032	INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS	JAN 1990
752.7033	PHYSICAL FITNESS	JUL 1997
752.7034	ACKNOWLEDGEMENT AND DISCLAIMER	DEC 1991
752.7035	PUBLIC NOTICES	DEC 1991

[End of Clause]

**I.2 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR  
ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)**

(a) If the Government receives information that a contractor or a person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended by section 4304 of the 1996 National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), the Government may--

(1) Cancel the solicitation, if the contract has not yet been awarded or issued; or

(2) Rescind the contract with respect to which--

(i) The Contractor or someone acting for the Contractor has been convicted for an offense where the conduct constitutes a violation of subsection 27 (a) or (b) of the Act for the purpose of either--

(A) Exchanging the information covered by such subsections for anything of value; or

(B) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

(ii) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the Contractor or someone acting for the Contractor has engaged in conduct constituting an offense punishable under subsections 27(e)(1) of the Act.

(b) If the Government rescinds the contract under paragraph (a) of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.

(c) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this contract.

**I.3 52.216-7 ALLOWABLE COST AND PAYMENT (MAR 2000)**

(a) *Invoicing.* The Government shall make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Subpart 31.2 of the Federal Acquisition Regulation

(FAR) in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.

(b) *Reimbursing costs.* (1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (b)(2) of this clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only--

(i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments will be made--

(1) In accordance with the terms and conditions of a subcontract or invoice; and

(2) Ordinarily prior to the submission of the Contractor's next payment request to the Government;

(B) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(C) Direct labor;

(D) Direct travel;

(E) Other direct in-house costs; and

(F) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(iii) The amount of financing payments that have been paid by cash, check, or other forms of payment to subcontractors.

(2) Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless--

(i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) *Small business concerns.* A small business concern may receive more frequent payments than every 2 weeks.

(d) *Final indirect cost rates.* (1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.

(2)(i) The Contractor shall submit an adequate final indirect cost rate proposal to the Contracting Officer (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Contracting Officer. The Contractor shall support its proposal with adequate supporting data.

(ii) The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The

understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Within 120 days after settlement of the final indirect cost rates covering the year in which this contract is physically complete (or longer, if approved in writing by the Contracting Officer), the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates.

(5) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.

(e) *Billing rates.* Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates--

(1) Shall be the anticipated final rates; and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) *Quick-closeout procedures.* Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

(g) *Audit.* At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be--

(1) Reduced by amounts found by the Contracting Officer not to constitute allowable costs; or

(2) Adjusted for prior overpayments or underpayments.

(h) *Final payment.* (1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph (d)(4) of this clause, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver--

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except--

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

(End of clause)

*Alternate I (Feb 1997).* As prescribed in 16.307(a)(2), substitute the following paragraph (b)(1)(iii) for paragraph (b)(1)(iii) of the basic clause:

(iii) The amount of progress and other payments to the Contractor's subcontractors that either have been paid, or that the Contractor is required to pay pursuant to the clause of this contract entitled "Prompt Payment for Construction Contracts." Payments shall be made by cash, check, or other form of payment to the Contractor's subcontractors under similar cost standards.

**I.4 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)**

- (a) The Government may extend the term of this contract by written notice to the Contractor within 60 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended contract shall be considered to include this option clause.
- (c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 5 years.

[End of Clause]

**I.5 PAYMENT FOR OVERTIME PREMIUMS**

In accordance with FAR 52.222.2, Payment for Overtime Premiums, the use of overtime is not authorized.

[End of Clause]

**I.6 52.219-23 NOTICE OF PRICE EVALUATION ADJUSTMENT FOR SMALL DISADVANTAGED BUSINESS CONCERNS (OCT 1999)**

- (a) *Definitions.* As used in this clause--  
 "Small disadvantaged business concern" means an Offeror that represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--
- (1) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR part 124, subpart B; and
- (i) No material change in disadvantaged ownership and control has occurred since its certification;
- (ii) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and
- (iii) It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net).
- (2) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR part 124, subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted. In this case, in order to receive the benefit of a price evaluation adjustment, an offeror must receive certification as a small disadvantaged business concern by the Small Business Administration prior to contract award; or
- (3) Is a joint venture as defined in 13 CFR 124.1002(f).  
 "Historically black college or university" means an institution determined by the Secretary of Education to meet the requirements of 34 CFR 608.2. For the Department of Defense (DoD), the National Aeronautics and Space Administration (NASA), and the Coast Guard, the term also includes any nonprofit research institution that was an integral part of such a college or university before November 14, 1986.  
 "Minority institution" means an institution of higher education meeting the requirements of Section 1046(3) of the Higher Education Act of 1965 (20 U.S.C. 1135d-5(3)) which, for purposes of this clause, includes a



Hispanic-serving institution of higher education as defined in Section 316(b)(1) of the Act (20 U.S.C. 1059c(b)(1)).

"United States" means the United States, its territories and possessions, the Commonwealth of Puerto Rico, the U.S. Trust Territory of the Pacific Islands, and the District of Columbia.

(b) Evaluation adjustment.

(1) The Contracting Officer will evaluate offers by adding a factor of \_\_\_\_ [*Contracting Officer insert the percentage*] percent to the price of all offers, except--

(i) Offers from small disadvantaged business concerns that have not waived the adjustment;

(ii) An otherwise successful offer of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is equaled or exceeded (see section 25.402 of the Federal Acquisition Regulation (FAR));

(iii) An otherwise successful offer where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government;

(iv) For DoD, NASA, and Coast Guard acquisitions, an otherwise successful offer from a historically black college or university or minority institution; and

(v) For DoD acquisitions, an otherwise successful offer of qualifying country end products (see sections 225.000-70 and 252.225-7001 of the Defense FAR Supplement).

(2) The Contracting Officer will apply the factor to a line item or a group of line items on which award may be made. The Contracting Officer will apply other evaluation factors described in the solicitation before application of the factor. The factor may not be applied if using the adjustment would cause the contract award to be made at a price that exceeds the fair market price by more than the factor in paragraph (b)(1) of this clause.

(c) *Waiver of evaluation adjustment.* A small disadvantaged business concern may elect to waive the adjustment, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply to offers that waive the adjustment. \_\_\_\_\_. Offeror elects to waive the adjustment.

(d) *Agreements.* (1) A small disadvantaged business concern, that did not waive the adjustment, agrees that in performance of the contract, in the case of a contract for--

(i) Services, except construction, at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern;

(ii) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern;

(iii) General construction, at least 15 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern; or

(iv) Construction by special trade contractors, at least 25 percent of the cost of the contract, excluding the cost of materials, will be performed by employees of the concern.

(2) A small disadvantaged business concern submitting an offer in its own name agrees to furnish in performing this contract only end items manufactured or produced by small disadvantaged business concerns in the United States. This paragraph does not apply in connection with construction or service contracts.

(End of clause)

*Alternate II (Oct 1998)* As prescribed in 19.1104, substitute the following paragraph (b)(i) for paragraph (b)(i) of the basic clause:

(i) Offers from small disadvantaged business concerns, that have not waived the adjustment, whose address is in a region for which an evaluation adjustment is authorized;

**I.7 52.222-35 AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (APR 1998)**

(a) Definitions.

"Appropriate office of the State employment service system," as used in this clause, means the local office of the Federal-State national system of public employment offices assigned to serve the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

"Openings that the Contractor proposes to fill from within its own organization," as used in this clause, means employment openings for which no one outside the Contractor's organization (including any affiliates, subsidiaries, and the parent companies) will be considered and includes any openings that the Contractor proposes to fill from regularly established "recall" lists.

"Openings that the Contractor proposes to fill under a customary and traditional employer-union hiring arrangement," as used in this clause, means employment openings that the Contractor proposes to fill from union halls, under their customary and traditional employer-union hiring relationship.

"Suitable employment openings," as used in this clause-

(1) Includes, but is not limited to, openings that occur in jobs categorized as-

- (i) Production and non-production;
- (ii) Plant and office;
- (iii) Laborers and mechanics;
- (iv) Supervisory and non-supervisory;
- (v) Technical; and

(vi) Executive, administrative, and professional positions compensated on a salary basis of less than \$25,000 a year; and

(2) Includes full-time employment, temporary employment of over 3 days, and part-time employment, but not openings that the Contractor proposes to fill from within its own organization or under a customary and traditional employer-union hiring arrangement, nor openings in an educational institution that are restricted to students of that institution.

(b) General. (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against the individual because the individual is a special disabled or Vietnam Era veteran. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified special disabled and Vietnam Era veterans without discrimination based upon their disability or veterans' status in all employment practices such as-



- (i) Employment;
- (ii) Upgrading
- (iii) Demotion or transfer;
- (iv) Recruitment;
- (v) Advertising;
- (vi) Layoff or termination;
- (vii) Rates of pay or other forms of compensation; and
- (viii) Selection for training, including apprenticeship

(2) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended.

(c) Listing openings. (1) The Contractor agrees to list all suitable employment openings existing at contract award or occurring during contract performance, at an appropriate office of the State employment service system in the locality where the opening occurs. These openings include those occurring at any Contractor facility, including one not connected with performing this contract. An independent corporate affiliate is exempt from this requirement.

(2) State and local government agencies holding Federal contracts of \$10,000 or more shall also list all their suitable openings with the appropriate office of the State employment service.

(3) The listing of suitable employment openings with the State employment service system is required at least concurrently with using any other recruitment source or effort and involves the obligations of placing a bona fide job order, including accepting referrals of veterans and nonveterans. This listing does not require hiring any particular group of job applicants and is not intended to relieve the Contractor from any requirements of Executive orders or regulations concerning nondiscrimination in employment.

(4) Whenever the Contractor becomes contractually bound to the listing terms of this clause, it shall advise the State employment service system, in each State where it has establishments, of the name and location of each hiring location in the State. As long as the Contractor is contractually bound to these terms and has so advised the State system, it need not advise the State system of subsequent contracts. The Contractor may advise the State system when it is no longer bound by this contract clause.

(5) Under the most compelling circumstances, an employment opening may not be suitable for listing, including situations when (i) the Government's needs cannot reasonably be supplied, (ii) listing would be contrary to national security, or (iii) the requirement of listing would not be in the Government's interest.

(d) Applicability. (1) This clause does not apply to the listing of employment openings which occur and are filled outside the 50 States, the District of Columbia, Puerto Rico, Guam, Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(2) The terms of paragraph (c) above of this clause do not apply to openings that the Contractor proposes to fill from within its own organization or under a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of its own organization or employer-union arrangement for that opening.

(e) Postings. (1) The Contractor agrees to post employment notices stating (i) the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified special disabled veterans and veterans of the Vietnam era, and (ii) the rights of applicants and employees.

(2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. They shall be in a form prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor (Director), and provided by or through the Contracting Officer.

(3) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of the Act, and is committed to take affirmative action to employ, and advance in employment, qualified special disabled and Vietnam Era veterans.

(f) Noncompliance. If the Contractor does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the Act.

(g) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary. The Contractor shall act as specified by the Director to enforce the terms, including action for noncompliance.

[End of Clause]

#### **I.8 52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)**

It is agreed that as a condition of award of this contract, and notwithstanding the conditions of any notice appearing thereon, the Government shall have unlimited rights (as defined in the Rights in Data--General" clause contained in this contract) in and to the technical data contained in the proposal, upon which this contract is based.

[End of Clause]

#### **I.9 52.228-3 WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT) (APR 1984)**

The Contractor shall (a) provide, before commencing performance under this contract, such workers' compensation insurance or security as the Defense Base Act (42 U.S.C. 1651 et seq.) requires and (b) continue to maintain it until performance is completed. The Contractor shall insert, in all subcontracts under this contract to which the Defense Base Act applies, a clause similar to this clause (including this sentence) imposing upon those subcontractors this requirement to comply with the Defense Base Act.

[End of Clause]

#### **I.10 52.229-8 TAXES--FOREIGN COST-REIMBURSEMENT CONTRACTS (MAR 1990)**

(a) Any tax or duty from which the United States Government is exempt by agreement with the Government of Kazakhstan, or from which the Contractor or any subcontractor under this contract is exempt under the laws of Kazakhstan, shall not constitute an allowable cost under this contract.

(b) If the Contractor or subcontractor under this contract obtains a foreign tax credit that reduces its Federal income tax liability under the United States Internal Revenue Code (Title 26, U.S.C.) because of the payment of any tax or duty that was reimbursed under this contract, the amount of the reduction shall be paid or credited at the time of such offset to the Government of the United States as the Contracting Officer directs.

[End of Clause]

**I.11 52.242-4 CERTIFICATION OF FINAL INDIRECT COSTS (JAN 1997)**

(a) The Contractor shall--

(1) Certify any proposal to establish or modify final indirect cost rates;

(2) Use the format in paragraph (c) of this clause to certify; and

(3) Have the certificate signed by an individual of the Contractor's organization at a level no lower than a vice

president or chief financial officer of the business segment of the Contractor that submits the proposal.

(b) Failure by the Contractor to submit a signed certificate, as described in this clause, may result in final indirect costs at rates unilaterally established by the Contracting Officer.

(c) The certificate of final indirect costs shall read as follows:

**CERTIFICATE OF FINAL INDIRECT COSTS**

This is to certify that I have reviewed this proposal to establish final indirect cost rates and to the best of my knowledge and belief:

1. All costs included in this proposal (identify proposal and date) to establish final indirect costs rates for (identify period covered by rate) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the contracts to which the final indirect cost rates will apply; and

2. This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR or its supplements.

Firm: \_\_\_\_\_

Signature: \_\_\_\_\_

Name of Certifying Official: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Execution: \_\_\_\_\_

[End of Clause]

**I.12 NOTIFICATION OF CHANGES**

In accordance with FAR 52.243-7, Notification of Changes, the Contractor shall notify the Contracting Officer in writing promptly, within 10 calendar days from the date that the Contractor identifies any Government conduct that the Contractor regards as a change to the contract terms and conditions. The Contracting Officer shall promptly, within 30 calendar days after receipt of notice, respond to the notice in writing.

[End of Clause]

**I.13 52.244-2 SUBCONTRACTS (AUG 1998)**

a) Definitions. As used in this clause--

"Approved purchasing system" means a Contractor's purchasing system that has been reviewed and approved in accordance with Part 44 of the Federal Acquisition Regulation (FAR).

"Consent to subcontract" means the Contracting Officer's written consent for the Contractor to enter into a particular subcontract.

"Subcontract" means any contract, as defined in FAR Subpart 2.1, entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

(b) This clause does not apply to subcontracts for special test equipment when the contract contains the clause at FAR 52.245-18, Special Test Equipment.

(c) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (d) or (e) of this clause.

(d) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that--

(1) Is of the cost-reimbursement, time-and-materials, or labor-hour type; or

(2) Is fixed-price and exceeds--

(i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or

(ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.

(e) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer's written consent before placing the following subcontracts:

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(f)(1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (c), (d), or (e) of this clause, including the following information:

(i) A description of the supplies or services to be subcontracted.

(ii) Identification of the type of subcontract to be used.

(iii) Identification of the proposed subcontractor.

(iv) The proposed subcontract price.

(v) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.

(vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.

(vii) A negotiation memorandum reflecting--

(A) The principal elements of the subcontract price negotiations;

(B) The most significant considerations controlling establishment of initial or revised prices;

(C) The reason cost or pricing data were or were not required;

- (D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;
- (E) The extent to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;
- (F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and
- (G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.

(2) The Contractor is not required to notify the Contracting Officer in advance of entering into any subcontract for which consent is not required under paragraph (c), (d), or (e) of this clause.

(g) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination--

- (1) Of the acceptability of any subcontract terms or conditions;
  - (2) Of the allowability of any cost under this contract; or
  - (3) To relieve the Contractor of any responsibility for performing this contract.
- (h) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).

(i) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(j) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.

(k) Paragraphs (d) and (f) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

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(End of clause)

Alternate I (Aug 1998). As prescribed in 44.204(a)(2)(i), substitute the following paragraph (f)(2) for paragraph (f)(2) of the basic clause:

(f)(2) If the Contractor has an approved purchasing system and consent is not required under paragraph (c), (d), or (e) of this clause, the Contractor nevertheless shall notify the Contracting Officer reasonably in advance of entering into any (i) cost-plus-fixed-fee subcontract, or (ii) fixed-price subcontract that exceeds the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of this contract. The notification shall include the information required by paragraphs (f)(1)(i) through (f)(1)(iv) of this clause.

Alternate II (Aug 1998). As prescribed in 44.204(a)(2)(ii), substitute the following paragraph (f)(2) for paragraph (f)(2) of the basic clause:

(f)(2) If the Contractor has an approved purchasing system and consent is not required under paragraph (c), (d), or (e) of this clause, the Contractor nevertheless shall notify the Contracting Officer reasonably in advance of entering into any (i) cost-plus-fixed-fee subcontract, or (ii) fixed-price subcontract that exceeds either the

simplified acquisition threshold or 5 percent of the total estimated cost of this contract. The notification shall include the information required by paragraphs (f)(1)(i) through (f)(1)(iv) of this clause.

**I.14 752.7005 SUBMISSION REQUIREMENTS FOR DEVELOPMENT EXPERIENCE DOCUMENTS (OCT 1997)**

(a) Contract Reports and Information/Intellectual Products.

(1) The Contractor shall submit to PPC/CDIE/DI copies of reports and information products which describe, communicate or organize program/project development assistance activities, methods, technologies, management,

research, results and experience as outlined in the Agency's ADS Chapter 540, section E540.5.2b(3).

Information may be obtained from the Cognizant Technical Officer (CTO).

These reports include: assessments, evaluations, studies, development experience documents, technical reports and annual reports. The Contractor shall also submit to PPC/CDIE/DI copies of information products including training materials, publications, databases, computer software programs, videos and other intellectual deliverable materials required under the Contract Schedule. Time-sensitive materials such as newsletters, brochures, bulletins or periodic reports covering periods of less than a year are not to be submitted.

(2) Upon contract completion, the contractor shall submit to PPC/CDIE/DI an index of all reports and information/ intellectual products referenced in paragraph (a)(1).

(b) Submission requirements.

(1) Distribution.

(i) The contractor shall submit contract reports and information/intellectual products (referenced in paragraph (a)(1) above) in electronic format and hard copy (one copy) to U.S. Agency for International Development, PPC/CDIE/DI, Attn: ACQUISITIONS, Washington D.C. 20523 at the same time submission is made to the CTO.

(ii) The contractor shall submit the reports index referenced in paragraph (a)(2) above and any reports referenced in paragraph (a)(1) above that have not been previously submitted to PPC/CDIE/DI, within 30 days after completion of the contract to the address cited in paragraph (b)(1)(i) above.

(2) Format.

(i) Descriptive information is required for all Contractor products submitted. The title page of all reports and information products shall include the contract number(s), contractor name(s), name of the USAID cognizant technical office, the publication or issuance date of the document, document title, author name(s), and strategic objective or activity title and associated number. In addition, all materials submitted in accordance with this clause shall have attached on a separate cover sheet the name, organization, address, telephone number, fax number, and Internet address of the submitting party.

(ii) The hard copy report shall be prepared using non-glossy paper (preferably recycled and white or off-white) using black ink. Elaborate art work, multicolor printing and expensive bindings are not to be used. Whenever possible, pages shall be printed on both sides.

(iii) The electronic document submitted shall consist of only one electronic file which comprises the complete and final equivalent of the hard copy submitted.

(iv) Acceptable software formats for electronic documents include WordPerfect, Microsoft Word, ASCII, and Portable Document Format (PDF). Submission in Portable Document Format is encouraged.

(v) The electronic document submission shall include the following descriptive information:

(A) Name and version of the application software used to create the file, e.g., WordPerfect Version 6.1 or ASCII or PDF.

(B) The format for any graphic and/or image file submitted, e.g., TIFF-compatible.

(C) Any other necessary information, e.g. special backup or data compression routines, software used for storing/retrieving submitted data, or program installation instructions.

#### **I.15 COMMUNICATIONS PRODUCTS (OCT 1994)**

(a) Definition - Communications products are any printed materials (other than non-color photocopy material), photographic services or video production services.

(b) Standards - USAID has established standards for communications products. These standards must be followed unless otherwise specifically provided in the contract or approved in writing by the contracting officer. A copy of the standards for USAID financed publications and video productions is attached.

(c) Communications products which meet any of the following criteria are not eligible for USAID financing under this agreement unless specifically authorized in the contract or in writing by the contracting officer:

(1) All communications materials funded by operating expense account funds;

(2) Any communication products costing over \$25,000, including the costs of both preparation and execution. For example, in the case of a publication, the costs will include research, writing and other editorial services (including any associated overhead), design, layout and production costs.

(3) Any communication products that will be sent directly to, or likely to be seen by, a Member of Congress or Congressional staffer; and

(4) Any publication that will have more than 50 percent of its copies distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use.

(d) The initial proposal must provide a separate estimate of the cost of every communications product as defined in paragraph (a) above [not just those which meet the criteria in paragraph (c)] which is anticipated under the contract. Each estimate must include all of the costs associated with preparation and execution of the product. Any subsequent request for approval of a covered communication product must provide the same type of cost information.

[End of Clause]

#### **I.16 52.216-8 FIXED FEE (MAR 1997)**

(a) The Government shall pay the Contractor for performing this contract the fixed fee specified in the Schedule.

(b) Payment of the fixed fee shall be made as specified in the Schedule; provided that after payment of 85 percent of the fixed fee, the Contracting Officer may withhold further payment of fee until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect the Government's interest. This reserve shall not exceed 15 percent of the total fixed fee or \$100,000, whichever is less. The Contracting

Officer shall release 75 percent of all fee withholds under this contract after receipt of the certified final indirect cost rate proposal covering the year of physical completion of this contract, provided the Contractor has satisfied all other contract terms and conditions, including the submission of the final patent and royalty reports, and is not delinquent in submitting final vouchers on prior years' settlements. The Contracting Officer may release up to 90 percent of the fee withholds under this contract based on the Contractor's past performance related to the submission and settlement of final indirect cost rate proposals.

(End of clause)

[END OF SECTION I]



**PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS****SECTION J - LIST OF ATTACHMENTS**

1. Model Small Business/Small Disadvantaged Subcontracting Plan
2. SF 294 - Subcontracting Report for Individual Contracts
3. AID 1420-17 – Contractor Biographical Data Sheet
4. SF LLL – Disclosure of Lobbying Activities
5. Certificate of Current Cost and Pricing Data
6. Summary of Scope of Work. Assistance for Removal of Local Investment Constraints and Small- and Medium- Enterprise Development an Kazakhstan
7. Summary of Scope of Work. Regulatory Reform in the Kyrgyz Republic.
8. Summary of Scope of Work. Commercial Law Program Task Order Trade & Investment Iv

**ATTACHMENT 1**

**MODEL SMALL BUSINESS/SMALL DISADVANTAGED SUBCONTRACTING PLAN**

Form may be downloaded at:  
[http://www.usaid.gov/procurement\\_bus\\_opp/procurement/forms](http://www.usaid.gov/procurement_bus_opp/procurement/forms)

**ATTACHMENT 2**

**SF 294 - SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS**

Form may be downloaded at:  
[http://www.usaid.gov/procurement\\_bus\\_opp/procurement/forms](http://www.usaid.gov/procurement_bus_opp/procurement/forms)

**ATTACHMENT 3**

**AID 1420 - 17 CONTRACTOR BIOGRAPHICAL DATA SHEET**

Form may be downloaded at:  
[http://www.usaid.gov/procurement\\_bus\\_opp/procurement/forms](http://www.usaid.gov/procurement_bus_opp/procurement/forms)

**ATTACHMENT 4**

**SF LLL – DISCLOSURE OF LOBBYING ACTIVITIES**

Form may be downloaded at:  
[http://www.usaid.gov/procurement\\_bus\\_opp/procurement/forms](http://www.usaid.gov/procurement_bus_opp/procurement/forms)

**ATTACHMENT 5**

**CERTIFICATE OF CURRENT COST AND PRICING DATA**

Form may be downloaded at:  
[http://www.usaid.gov/procurement\\_bus\\_opp/procurement/forms](http://www.usaid.gov/procurement_bus_opp/procurement/forms)

**PART IV - REPRESENTATIONS AND INSTRUCTIONS****SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS****K.1 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (APR 1991)**

(a) The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions, included in this solicitation, are hereby incorporated by reference in paragraph (b) of this certification.

(b) The Offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that on or after December 23, 1989--

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and

(3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

[End of Provision]

**K.2 52.204-3 TAXPAYER IDENTIFICATION (OCT 1998)**

(a) Definitions.

"Common parent," as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(b) All offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal

by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(d) Taxpayer Identification Number (TIN).

☐ TIN:\_\_\_\_\_.

☐ TIN has been applied for.

☐ TIN is not required because:

☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

☐ Offeror is an agency or instrumentality of a foreign government;

☐ Offeror is an agency or instrumentality of the Federal Government.

(e) Type of organization.

☐ Sole proprietorship;

☐ Partnership;

☐ Corporate entity (not tax-exempt);

☐ Corporate entity (tax-exempt);

☐ Government entity (Federal, State, or local);

☐ Foreign government;

☐ International organization per 26 CFR 1.6049-4;

☐ Other\_\_\_\_\_.

(f) Common parent.

☐ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

☐ Name and TIN of common parent:

Name \_\_\_\_\_

TIN \_\_\_\_\_

[End of Provision]



**K.3 52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (MAR 1996)**

(a) (1) The Offeror certifies, to the best of its knowledge and belief, that--

(i) The Offeror and/or any of its Principals--

(A) Are ( ) are not ( ) presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ( ) have not ( ), within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are ( ) are not ( ) presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (A)(1)(i)(B) of this provision.

(ii) The Offeror has ( ) has not ( ), within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

[End of Provision]

**K.4 52.219-22 SMALL DISADVANTAGED BUSINESS STATUS (OCT 1998)**

(a) General. This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.219-1, Small Business Program Representation.

(b) Representations.

(1) General. The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

[ ] (i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(A) No material change in disadvantaged ownership and control has occurred since its certification;

(B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(C) It is listed, on the date of this representation, on the register of small disadvantaged business concerns maintained by the Small Business Administration; or

[ ] (ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(2) [ ] For Joint Ventures. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in paragraph (b)(1) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture:\_\_\_\_\_.]

(c) Penalties and Remedies. Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall--

(1) Be punished by imposition of a fine, imprisonment, or both;

(2) Be subject to administrative remedies, including suspension and debarment; and

(3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

[End of Provision]

**K.5 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)**

The offeror represents that

(a) It [ ] has developed and has on file, [ ] has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or

(b) It [ ] has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

[End of Provision]

**K.6 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (APR 1998)**

NOTE: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the Offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

**I. DISCLOSURE STATEMENT--COST ACCOUNTING PRACTICES AND CERTIFICATION**

(a) Any contract in excess of \$500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any Offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the Offeror's proposal under this solicitation unless the Offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the Offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

☐ (1) Certificate of Concurrent Submission of Disclosure Statement.

The Offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) One copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: \_\_\_\_\_

Name and Address of Cognizant ACO or Federal Official Where Filed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

☐ (2) Certificate of Previously Submitted Disclosure Statement.

The Offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: \_\_\_\_\_

Name and Address of Cognizant ACO or Federal Official Where Filed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

/\_\_\_/ (3) Certificate of Monetary Exemption.

The Offeror hereby certifies that the Offeror together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling more than \$25 million (of which at least one award exceeded \$1 million) in the cost accounting period immediately preceding the period in which this proposal was submitted. The Offeror further certifies that if such status changes before an award resulting from this proposal, the Offeror will advise the Contracting Officer immediately.

/\_\_\_/ (4) Certificate of Interim Exemption.

The Offeror hereby certifies that (i) the Offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the Offeror is not yet required to submit a Disclosure Statement. The Offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the Offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraphs (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

**CAUTION:** Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$25 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

## II. COST ACCOUNTING STANDARDS--ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the Offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the Offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

/\_\_\_/ The Offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the Offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the Offeror received less than \$25 million in awards of CAS-covered prime contracts and subcontracts, or the Offeror did not receive a single CAS-covered award exceeding \$1 million. The Offeror further certifies that if such status changes before an award resulting from this proposal, the Offeror will advise the Contracting Officer immediately.

**CAUTION:** An Offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$25 million or more or if, during its current cost accounting period, the Offeror has been awarded a single CAS-covered prime contract or subcontract of \$25 million or more.

### III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The Offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

/\_\_\_/ YES /\_\_\_/ NO

[End of Provision]

#### **K.7 752.226-1 DISADVANTAGED ENTERPRISE REPRESENTATION (APR 1991)**

The Offeror/contractor shall submit a representation in the following form to the contracting officer:

(a) Representation. The Offeror represents that:

- (1) It ☐ is, ☐ is not a small disadvantaged business.
- (2) It ☐ is, ☐ is not an historically black college or university, as designated by the Secretary of Education pursuant to 34 CFR 608.2.
- (3) It ☐ is, ☐ is not a college or university having a student body in which more than 40 percent of the students are Hispanic American.
- (4) It ☐ is, ☐ is not a private voluntary organization which is controlled by individuals who are socially and economically disadvantaged.

(b) Definitions.

(1) "Asian Pacific Americans," as used in this provision means United States citizens whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territory of the Pacific Islands (Republic of Palau), the Northern Mariana Islands, Laos, Kampuchea (Cambodia), Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Republic of the Marshall Islands, or the Federated States of Micronesia.

(2) "Controlled by socially and economically disadvantaged individuals" means management and daily business are controlled by one or more such individuals.

(3) "Native Americans," as used in this provision means American Indians, Eskimos, Aleuts, and native Hawaiians.

(4) "Owned by socially and economically disadvantaged individuals" means at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock owned by one or more socially and economically disadvantaged individuals.

(5) "Small business concern," as used in this provision, means a U.S. concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualifies as a small business under the criteria and size standards in 13 CFR 121.

(6) "Small disadvantaged business," as used in this provision, means a small business concern that:

(i) Is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock owned by one or more socially and economically disadvantaged individuals; and

(ii) Has its management and daily business controlled by one or more such individuals.

(7) "Subcontinent Asian Americans," as used in this provision, means United States citizens whose origins are in India, Pakistan, Bangladesh, Sri Lanka, Bhutan, or Nepal.

(c) Qualified groups. The Offeror shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and women.

[End of Provision]

#### **K.8 INSURANCE - IMMUNITY FROM TORT LIABILITY**

The Offeror represents that it ☐ is, ☐ is not a State agency or charitable institution, and that it ☐ is not immune, ☐ is partially immune, ☐ is totally immune from tort liability to third persons.

[End of Provision]

#### **K.9 AGREEMENT ON, OR EXCEPTIONS TO, TERMS AND CONDITIONS**

The Offeror has reviewed the solicitation (Sections B through J of which will become the contract) and ☐ agrees to the terms and conditions set forth therein; or ☐ has the following exceptions (continue on a separate attachment page, if necessary):

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[End of Provision]

#### **K.10 SIGNATURE**

By signature hereon, or on an offer incorporating these Representations, Certifications, and Other Statements of Offerors, the Offeror certifies that they are accurate, current, and complete, and that the Offeror is aware of the penalty prescribed in 18 U.S.C. 1001 for making false statements in offers.

Solicitation No. \_\_\_\_\_

Offer/Proposal No. \_\_\_\_\_

Date of Offer \_\_\_\_\_

Name of Offeror \_\_\_\_\_

Typed Name and Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

[End of Provision]

#### **K.11 POPULATION ASSISTANCE - FY 2000 CERTIFICATION (JAN 2000)**

(a) Requirement for Certain Organizations to Complete Certification Form. Pursuant to Section 599D of the Foreign Operations, Export Financing, and Related Programs Act, 2000 (P.L.106-113), non-U.S., non-governmental organizations, both non-profit and profit-making, and multilateral organizations ("covered" organizations) must complete a FY 2000 Population Assistance Certification Form, prior to receiving any FY 2000 population funds either directly or through subawards. The related Certification Guidance (January 2000), incorporated herein by reference, explains which organizations are covered. A copy of the guidance is attached or can be obtained from the Contracting Officer.

(b) (1) Prior to the award of any sub-contract or grant to a covered organization that might include FY 2000 population funds, the Contractor must request the potential subawardee to complete the FY 2000 Population Assistance Certification Form. Commercial firms that are not engaged in family planning activities (e.g., firms supplying computer equipment, office supplies, maintenance services or printing services) are not considered “covered” organizations. The form provides options for covered organizations either to certify (Option No. 1) or decline to certify (Option No. 2). A copy of the form **may be downloaded from USAID website** [http://www.usaid.gov/procurement\\_bus\\_opp/procurement/cib/](http://www.usaid.gov/procurement_bus_opp/procurement/cib/) (see CIB 00-04) or can be obtained from the Contracting Officer.

(2) If the subawardee returns the form, the Contractor must forward a copy to the Cognizant Technical Officer. If the subawardee has certified (electing Option No. 1), the Contractor may then make the subaward. If the subawardee has elected Option No. 2, or has not completed the form, the Contractor may not make the subaward until it receives from the Director of USAID’s Office of Population, Global Bureau, or his/her designee, written approval of the organization and the amount to be provided.

(3) The Contractor must keep a copy of the completed FY 2000 Population Assistance Certification Form and any USAID approval in its contract files.

(4) USAID may require a refund of any amounts of FY 2000 population funds that the Contractor awards without following the requirements in paragraph (b)(2).

(c) Remedies for Non-compliance: USAID has approved commitment of FY 2000 population funds under this contract in reliance on certification(s) obtained from covered organizations or USAID's express approval of the maximum amount to be provided in the case of an organization which declines to certify. If a certifying organization materially fails to comply with the terms and conditions of the certification it has provided, USAID or the Contractor may impose standard remedies available in the event of material non-compliance with a required certification, as well as other remedies which may be applicable under the agreement.

(d) This clause must be included in all subawards that allow for providing FY 2000 population funds to covered organizations. The clause need not be included in subawards that allow funds to be provided only to non-covered organizations, e.g., U.S. entities, or commercial firms not engaged in family planning activities.

[End of Clause]

[END OF SECTION K]

## SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

### L.1 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far>

#### I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) PROVISIONS

NUMBER	TITLE	DATE
52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER	JUN 1999
52.212-1	INSTRUCTIONS TO OFFERORS--COMMERCIAL ITEMS	JUN 1997
52.214-34	SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE	APR 1991
52.214-35	SUBMISSION OF OFFERS IN U.S. CURRENCY	APR 1991
52.215-16	FACILITIES CAPITAL COST OF MONEY	OCT 1997
52.222-24	PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE REVIEW	APR 1984
52.222-46	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES	FEB 1993

[End of Provision]

### L.2 52.215-1 INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION (DEC 1999) ALTERNATE I (OCTOBER 1997)

(a) *Definitions.* As used in this provision--

"Discussions" are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the offeror being allowed to revise its proposal.

"In writing" or "written" means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

"Proposal modification" is a change made to a proposal before the solicitation's closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

"Proposal revision" is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations.

"Time," if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) *Amendments to solicitations.* If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).



*(c) Submission, modification, revision, and withdrawal of proposals.* (1) Unless other methods (*e.g.*, electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation, and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror. Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the information in paragraphs (c)(1)(i) and (c)(1)(ii) of this provision.

(2) The first page of the proposal must show--

(i) The solicitation number;

(ii) The name, address, and telephone and facsimile numbers of the offeror (and electronic address if available);

(iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;

(iv) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the Government in connection with this solicitation; and

(v) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

*(3) Submission, modification, revision, and withdrawal of proposals.*

(i) Offerors are responsible for submitting proposals, and any modifications or revisions, so as to reach the Government office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office on the date that proposal or revision is due.

(ii)(A) Any proposal, modification, or revision received at the Government office designated in the solicitation after the exact time specified for receipt of offers is "late" and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and--

(1) If it was transmitted through an electronic commerce method authorized by the solicitation, it was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or

(2) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers; or

(3) It is the only proposal received.

(B) However, a late modification of an otherwise successful proposal that makes its terms more favorable to the Government, will be considered at any time it is received and may be accepted.

(iii) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(iv) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation, the time specified for receipt of

proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume.

(v) Proposals may be withdrawn by written notice received at any time before award. Oral proposals in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time before award, subject to the conditions specified in the provision at 52.215-5, Facsimile Proposals. Proposals may be withdrawn in person by an offeror or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.

(4) Unless otherwise specified in the solicitation, the offeror may propose to provide any item or combination of items.

(5) Proposals submitted in response to this solicitation shall be in English and in U.S. dollars, unless otherwise permitted by the solicitation.

(6) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

(7) Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.

(8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) *Offer expiration date.* Proposals in response to this solicitation will be valid for the number of days specified on the solicitation cover sheet (unless a different period is proposed by the offeror).

(e) *Restriction on disclosure and use of data.* Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall--

(1) Mark the title page with the following legend:

This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed--in whole or in part--for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of--or in connection with--the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]; and

(2) Mark each sheet of data it wishes to restrict with the following legend:

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

(f) *Contract award.* (1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.

(2) The Government may reject any or all proposals if such action is in the Government's interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number

at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

(5) The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.

(6) The Government reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the Government's best interest to do so.

(7) Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.

(8) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.

(9) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.

(10) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(11) The Government may disclose the following information in postaward debriefings to other offerors:

- (i) The overall evaluated cost or price and technical rating of the successful offeror;
- (ii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection;
- (iii) A summary of the rationale for award; and
- (iv) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

*Alternate I (Oct 1997).* As prescribed in 15.209(a)(1), substitute the following paragraph (f)(4) for paragraph (f)(4) of the basic provision:

(f)(4) The Government intends to evaluate proposals and award a contract after conducting discussions with offerors whose proposals have been determined to be within the competitive range. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Therefore, the offeror's initial proposal should contain the offeror's best terms from a price and technical standpoint.

[End of Provision]

### **L.3 FACSIMILE PROPOSALS**

(a) Definition. Facsimile proposal, as used in this provision, means a proposal, revision or modification of a proposal, or withdrawal of a proposal that is transmitted to and received by the Government via facsimile machine.

(b) Offerors must submit **no more than those pages of the proposal in response to the solicitation requiring original manual signatures**. Sending entire proposals via facsimile machine is **not** authorized. Facsimile proposals are subject to the same rules as paper proposals.

(c) The telephone number of receiving facsimile equipment is: 7 (3272) 50-79-10, General Fax: 7 (3272) 50-76-36 or 69-64-90

(d) If any portion of a facsimile proposal received by the Contracting Officer is unreadable to the degree that conformance to the essential requirements of the solicitation cannot be ascertained from the document, but was otherwise timely--

(1) The Contracting Officer immediately shall notify the offeror and permit the offeror to resubmit the unreadable portion of the proposal;

(2) The method and time for resubmission shall be prescribed by the Contracting Officer after consultation with the offeror; and

(3) The resubmission shall be considered as if it were received at the date and time of the original unreadable submission for the purpose of determining timeliness, provided the offeror complies with the time and format requirements for resubmission prescribed by the Contracting Officer.

(e) The Government reserves the right to make award solely on the facsimile proposal. However, if requested to do so by the Contracting Officer, the apparently successful offeror promptly shall submit the complete original signed proposal.

[End of Provision]

#### **L.4 52.216-1 TYPE OF CONTRACT (APR 1984)**

The Government contemplates award of a three (3) year cost plus fixed-fee contract or award-fee, with two 1 year option periods resulting from this solicitation. The Option period 1-2 will be pre-priced Options at the time of award.

[End of Provision]

#### **L.5 52.233-2 SERVICE OF PROTEST (AUG 1996)**

(a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

**Marcus A. Johnson, Jr.**  
**Contracting Officer**

Street address: DOS/USAID  
41 Kazibek Bi Street  
480100, Almaty  
Republic of Kazakhstan

Facsimile: Direct # 1 (413) 771-5698,  
General #: 7 (3272) 50-76-35 or 36

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

## L.6 GENERAL INSTRUCTIONS TO OFFERORS

(a) The offeror should submit the proposal either

- (i) electronically – internet email with up to 6 attachments per email compatible with MS WORD, Excel, Lotus 123 and/or WordPerfect in a MS Windows environment. Only those pages requiring original manual signatures should be sent via facsimile. (Facsimile of the entire proposal is **not** authorized); or
- (ii) via regular mail - sending 6 paper copies of a technical proposal and one original and 6 copies of a cost proposal, **however** the issuing office receives regular international mail only once a week. All mail is subject to US Embassy electronic imagery scanning methods, physical inspection, and is not date and time stamped prior to receipt by USAID and the Contracting Officer; or
- (iii) hand delivery (including commercial courier) of 6 paper copies of a technical proposal and one original and 6 copies of a cost proposal to the issuing office.
- (iv) Regardless of the method used the Technical Proposal and Cost Proposal must be kept separate from each other. Technical Proposals must not make reference to pricing data in order that the technical evaluation may be made strictly on the basis of technical merit.

(b) Submission of Alternate Proposals

All offerors shall submit a proposal directly responsive to the terms and conditions of this RFP. If an offeror chooses to submit an alternative proposal, they must, at the same time, submit a proposal directly responsive hereto for any alternate to even be considered.

(c) Government Obligation

The US Government is not obligated to make an award or to pay for any costs incurred by the offeror in preparation of a proposal in response hereto.

[End of Provision]

## L.7 INSTRUCTIONS FOR THE PREPARATION OF THE TECHNICAL PROPOSAL

(a) The Technical Proposal in response to this solicitation should address how the offeror intends to carry out the Statement of Work contained in Section C. It should also contain a clear understanding of the work to be undertaken and the responsibilities of all parties involved. The technical proposal should be organized by the technical evaluation criteria listed in Section M.

(b) The past performance references required by this section shall be included as an annex or attachment of the technical proposal.

(c) The technical proposal should be limited, exclusive of resumes and past performance annexes to 55 pages when proposing to use the CPAF contract type.

Each of the following sections must appear in the proposal to be judged responsive. Page guidelines per section are not definitive, as long as the final proposal does not exceed the 55-page limit (excluding attachments) if proposing a CPAF contract type. There is a 50-page limit overall if proposing to use the CPFF contract type but the proposer may decide how/where to meet this limitation.

1. Understanding of the status, issues and opportunities presented by the present SME business environment and Trade & Investment situation in Central Asia. (5 pages)

2. Technical approach and methodology to conducting work in each country. This section shall define the offeror's proposed approach of tasks specified in Section C. (15 pages)

3. Management plan for executing the contract. This section must detail at a minimum: organizational structure; staffing plans; logistics management; monitoring and reporting plans; management of subcontracts and grants; and financial management systems. The offeror should also use this section to describe its corporate management capacity: staffing, software, and equipment that the offeror uses to execute, support, control and monitor contract activities. Present a detailed Mobilization Plan (15 pages)

4. Staffing plan. This section shall define who will be employed under the contract, for what purposes, and the schedule of their deployment. Full resumes must be appended, so that the strengths of each key candidate's background and experience are clearly defined. (15 pages - further detail to be appended)

5. Past performance and experience. This section shall describe the relevance of the offeror's background to the job at hand. Previous relevant work with USAID, other donors and other entities can be presented. Previous work in Central Asia or other relevant countries can be detailed. (5 pages)

Note: To be appended - list full contact information (e.g. street address, mailing address, telephone numbers, internet email address; a short (130-word limit) abstract of relevancy; and award number and period of performance) for all relevant awards active in calendar year **2000, 2001**.

[End of Provision]

## **L.8 INSTRUCTIONS REGARDING KEY PERSONNEL**

The contract proposed by this solicitation includes a key personnel clause, and the quality of key personnel proposed will be an evaluation factor. The offeror must include as part of its technical proposal a statement signed by each person proposed as key personnel confirming their present intention to serve in the stated position and their present availability to serve for the term of the proposed contract.

The contractor may propose the personnel or staff it deems necessary to fulfill the objectives of this contract. The following are the recommended functional positions USAID/CAR believes would be required. Many of these functions may be accomplished by one person or be shared. USAID expects the contractor to propose the most efficient use of staff.

Chief-of-Party (1)  
Country Directors (5)

[End of Provision]

## **L.9 INSTRUCTIONS FOR THE PREPARATION OF THE COST PROPOSAL**

(a) Each offeror shall provide a budget for each line item listed in Section B. Supporting "Budget Notes" assumption narrative and spreadsheet(s) in sufficient detail to allow a complete analysis of each line item cost. This is to include a complete breakdown of the cost elements associated with each line item and those cost associated with any proposed subcontract for the Based Period and Option Periods.

(b) If the contractor is a joint venture or partnership, the business management proposal must include a copy of the legal agreement between the parties to the joint venture or partnership. The agreement will include a full discussion of the relationship between the firms including identification of the firm which will have responsibility for negotiation of the contract, which firm will have accounting responsibility, how work will be allocated, overhead calculated, and profit shared, and the express agreement of the principals thereto to be held jointly and severally liable for the acts or omissions of the other.

(c) Detail of the offeror's management structure as it relates to performance of services described in Section C.

- (d) The representations and certifications, as set forth in Section K. of this solicitation, with the last page signed. This should be completed by subcontractors as well.
- (e) The offeror and each subcontractor shall include a Statement of Contingent Fees (SF 119) if required by Section K.
- (f) A completed Certificate of Current Cost or Pricing Data for itself and each subcontractor, if the subcontract will exceed \$550,000. (This certificate should be re-submitted after negotiations have been concluded and agreement has been reached.)
- (g) The offerors shall submit Standard Form 1411 entitled "Contract Pricing Proposal Cover Sheet".
- (h) Audited balance sheets and profit and loss statements or if not available, returns as submitted to Federal tax authorities for the offeror's last two complete fiscal years and for the current fiscal year as of 30 days prior to proposal submission. (The balance sheets and profit and loss statements for the current fiscal year may be unaudited.) The profit and loss statements should include details of the total cost of services sold, and be annotated by either the auditor or offeror to delineate the offeror's indirect expense pool(s) and customary indirect cost distribution base(s).
- (i) A copy of the offeror's personnel policies in effect at the time the offer is submitted.
- (j) A copy of the offeror's travel policies in effect at the time the offer is submitted.
- (k) A copy of your current Negotiated Indirect Cost Rate Agreement (NICRA), if applicable.
- (l) Offerors must submit fully completed and signed USAID Biographical Data Sheets (AID Form 1420-17) for each key staff member proposed.

[End of Provision]

[END OF SECTION L]

## SECTION M - EVALUATION FACTORS FOR AWARD

### M.1 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer.

Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

<http://www.arinet.gov/far>

#### I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) PROVISIONS

NUMBER	TITLE	DATE
52.217-5	EVALUATION OF OPTIONS	JUL 1990

### M.2 EVALUATION CRITERIA

Technical, cost and other factors will be evaluated relative to each other, as described herein.

(a) The technical proposal will be scored by a technical evaluation committee using the criteria shown in this Section.

(b) The cost proposal will be scored by the method described in this Section.

(c) The criteria below are presented by major category, with relative order of importance, so that offerors will know which areas require emphasis in the preparation of proposals. The criteria below reflect the requirements of this particular solicitation.

Offerors should note that these criteria: (1) serve as the standard against which all proposals will be evaluated, and (2) serve to identify the significant matters which offerors should address in their proposals.

#### EVALUATION CRITERIA: BEST VALUE

A review panel established under the direction of the Contracting Officer, USAID/CAR, will evaluate proposals. The review panel and the Contracting Officer will use "Best Value" criteria to determine the proposal most advantageous to the U.S. Government. **All evaluation factors other than cost or price, when combined, are equal to cost or price. Technical evaluation factors, and the subfactors thereof, are listed below in their relative order of importance.** Contract award shall be made to the responsive and responsible offeror whose combined technical and cost factor offer the best value to the U.S. Government.

#### A. COST EVALUATION

The contractor should have a structure that will allow it to provide the greatest value (highest results) at the lowest cost; minimizing and/or eliminating overall administrative costs, overhead, subcontract pass-through costs, profit, international staff benefits, home office communications and support, and other non-value added costs. **Each offeror's cost proposal of the base period and option periods shall be evaluated based on the following criteria in comparison with the cost proposal of other offerors:**

- 1) Effectiveness of proposed cost control structure
  - a. Budget transparency to effectively track expenditures;



- b. Consistency of proposed LOE, travel costs and ODCs;
- c. Soundness of purchase and acquisition methods; and
- d. Subcontracting methods are clearly defined.

2) Cost efficiency of proposed Other Direct Costs (ODCs)

- a. Offers market competitive pricing estimates of tangible items to be used for contract performance; and
- b. Competitiveness pricing and purchase methods of international and in-country air travel and surface transportation.

3) Provides cost-sharing, matching arrangements, and value of in-kind contributions, if any is proposed.

4) Reasonableness of overall proposed price

Price has not been assigned a numerical weight. Offerors are reminded that the U.S. Government is not obligated to award a negotiated contract on the basis of the lowest proposed cost (see FAR 15.101-1) or to the offeror with the highest technical evaluation score. **For this procurement technical proposal is equal to cost or price relative to deciding who best might perform the work, price and other factors considered.** The significant technical factors are of equal weight. Therefore, after the final evaluation of the proposals, the Contracting Officer will make the award to the offeror whose proposal offers the best value to the Government, considering both technical and cost factors. It should be noted that estimate cost is an important factor and its importance as an evaluation factor will increase as the degree of equality of technical competence between proposals increases.

## B. TECHNICAL EVALUATION

1) Managerial Capacity

- a. Demonstrates capacity to manage personnel needs and requirements for a large multi-faceted program operating in Central Asia;
- b. Demonstrates capacity to manage the logistical requirements for a large program operating from diverse locations. These requirements include: office space, housing, transportation, commodity purchase and inventory control, report production and dissemination; and in-country financing of staff and activities;
- c. Demonstrates capacity to track progress of all facets of the program, provide reports which accurately present program status, and deal effectively with opportunities and problems as they arise;
- d. Demonstrates an effective system for managing subcontracts, joint-venture relationships or any other method proposed for involving the work of other firms or organizations to carry out the contract.
- e. Mobilization Plan. Along with the Technical Proposal the Offeror must submit a Mobilization Plan. This plan will guide the organization of contract resources and initial activities. The mobilization plan will provide details of work to be carried out in the initial 90-day period of the contract. At a minimum, it will cover the anticipated logistics of contract start-up and the process and timing of establishing administrative and financial control systems. It will also cover the timing of the initial deployment of expatriate staff, the plan for hiring local staff, and the plan for the initial activities to be executed by these staff members.

2) Qualifications of key personnel

- a. Appropriate technical experience for the position proposed;
- b. Appropriate educational background for the position proposed;
- c. Previous work in the region, or other background, that demonstrates the ability to work effectively in the position proposed;
- d. Ability to work in the Russian language.

3) Technical approach and methodology

- a. Demonstrates thorough understanding of the process of improving the SME business environment and trade & investment situation in Central Asia.

- b. Demonstrates current knowledge and understanding of the SME business environment and trade & investment situation in Central Asia.

#### 4) Past Performance

- a. Offeror demonstrates the relationship between the methods and techniques, which it proposes to undertake this contract and its previous performance and experience with similar or related activities;
- b. Previous performance for USAID, other donors, or other entities in business education, training, advisory service and business association and advocacy development;
- c. Previous performance in Central Asia or Commonwealth of Independent States (CIS) countries.

(Note: The U.S. Government will evaluate the quality of the offeror's past performance. This evaluation is separate and distinct from the Contracting Officer's responsibility determination. The assessment of the offeror's past performance will be used to evaluate the relative capability of the offeror and other competitors to successfully meet the requirements of the RFP. Past performance of significant and critical subcontractors will be considered to the extent warranted by the subcontractor's involvement in the proposed effort.)

The U.S. Government reserves the right to obtain information for use in the evaluation of past performance from any and all sources outside of the U.S. Government. Offerors lacking relevant past performance history will receive a neutral rating for past performance. However, the proposal of an offeror with no relevant past performance, may not represent the most advantageous proposal to the U.S. Government and thus, may be an unsuccessful proposal when compared to the proposals of the other offerors. The offeror must provide the information requested above for past performance evaluation or affirmatively state that it possesses no relevant directly related or similar past performance experience. The Government reserves the right not to evaluate or consider for award the entire proposal from an offeror which fails to provide the past performance information or which fails to assert that it has no relevant directly related or similar past performance experience.

[End of Provision]

### **M.3 DETERMINATION OF THE COMPETITIVE RANGE AND CONTRACT AWARD**

(a) The competitive range of offerors with whom negotiation will be conducted (if necessary) will be determined by the Contracting Officer based on the above technical and cost evaluation factors, and will be comprised of all offerors whose proposals are determined to have a reasonable chance of being selected for award.

(b) In accordance with FAR 52.215-16, and as set forth in Section L of this solicitation, award will be made by the Contracting Officer to the responsible offeror whose proposal, conforming to the solicitation, is most advantageous to the Government, and the above technical and cost factors considered. The formula (Evaluation Criteria in Section M.2) set forth above will be used by the Contracting Officer as a guide in determining which proposals will be most advantageous to the Government.

[End of Provision]

### **M.4 CONTRACTING WITH SMALL BUSINESS CONCERNS AND DISADVANTAGED ENTERPRISES**

USAID encourages the participation of small business concerns and disadvantaged enterprises in this project, in accordance with FAR Part 19 (48 CFR Chapter 1), and AIDAR Part 726 (48 CFR Chapter 7). Accordingly, every reasonable effort will be made to identify and make use of such organizations. All evaluation criteria being found equal, the participation of such organizations may become a determining factor for selection.

[End of Provision]

[END OF SECTION M]

